



2007 Environmental Scan



Foreword

I am pleased to present the RCMP's 2007 Environmental Scan. The document provides an overview of the macro-level trends, both domestic and international, shaping and impacting the organization's operating environment.

Environmental scanning processes have been adopted by all levels of the RCMP, from detachments to business and service lines at national headquarters in Ottawa. There is widespread recognition that scanning provides: the organization with a solid understanding of external conditions; managers a context for decision making; and, ultimately a launching pad for strategic planning and priority setting exercises.

Trends outlined in the 2007 Environmental Scan represent a synthesis of information obtained from a wide range of publicly available materials, as well as the opinions of experts and academics from various fields. In producing this document, the *Strategic Policy and Planning Directorate* also relied on the wealth of knowledge and information from across the organization at the national, divisional and detachment levels. Dr. Martin Rudner (Carleton University) and Dr. David Good (University of Victoria) were also kind enough to provide their thoughts on a number of issues.

The 2007 Environmental Scan has a new and exciting look this year. However, we have largely maintained the format utilized in previous scanning documents dating back to 2000. For example, the trends are organized across seven thematic dimensions – Demographics, Society, Economy, Politics & Government, Science & Technology, Environment and Public Safety & Security. In addition, to facilitate quick and easy reading, information is presented in bullet form supported by graphics, quotations, and statistics/facts (text boxes). The implications of some of the key trends are also explored and are denoted by grey shading.

The RCMP is always seeking opportunities to strengthen its products. As such, an evaluation form is included to solicit your views on the utility of this document, trends that we may have overlooked and any other thoughts you have that would improve future environmental scanning documents.

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Executive Summary

What a world! Even a cursory reading of the 2007 Environmental Scan demonstrates how aptly this phrase encapsulates contemporary society. We live in amazing times: technology and its applications are revolutionizing everyday life; people are communicating with each other more extensively and over longer distances than ever before; the world's population is larger than it has ever been, but never has the world been so prosperous or the opportunities so plentiful. All told, we are living at one of the safest times in recorded history and have never been healthier.

At the same time, however, technology and improved communication is expanding the nature, scope and impact of crime and other threats to human and national security. Prosperity and poverty are unequally distributed, with many in precarious situations, and societal and political tensions threaten the stability of many countries and regions. Ecosystems are stressed as never before, and the potential impacts of climate change could be enormous and catastrophic. Perhaps more than ever, there are significant threats and tipping points that have the potential to make the world, including Canada, much poorer and much more insecure.

Such a world demands that public safety and security organizations, including the RCMP, evolve and adapt continually in order to take advantage of opportunities and address challenges head on. Organizations need to critically examine the level of success and relevance of their activities, processes and structures. Mandate, mission, vision and values, priorities, program delivery approaches, crime prevention strategies, employee competencies and training requirements are but a few of the many organizational components that require ongoing scrutiny and analysis so that they can be adjusted and/or transformed as necessary.

The cover page of each of the dimensions (i.e., Demographics, Society, Economy, Politics & Government, Science & Technology, Environment, and Public Safety & Security) provides a summary of the key trends of the section. However, there are a number of significant trends that transcend individual dimensions and these are outlined below. Key public safety and security developments of particular importance to Canadian law enforcement organizations are also highlighted.

Viewed through the lens of Canadian law enforcement, several significant cross-cutting international trends emerge:

The ongoing technological revolution is fundamentally altering everyday life, as well as law enforcement and criminal activity.

Technology-enabled applications are improving the organizational capacities of law enforcement agencies, and facilitating increasingly complex analysis in support of investigations. At the same time, however, new technologies provide criminals with opportunities to develop new forms and methods of crime, many of which (e.g., identity fraud) are emerging with increasing rapidity and victimizing large numbers of people. In addition, certain technologies (e.g., Internet, e-mail) reduce the requirement for close proximity between perpetrator and victim, and enable criminals to communicate and transfer knowledge and tactics with reduced risk. To keep pace, police agencies need to make large investments in technology, and increasingly employ individuals with the necessary specialized skills to counter technology-enabled crime. Unlike criminals, law enforcement operates in this high tech world within the confines of privacy legislation and barriers to information exchange, and therefore cannot exploit the full potential of new technologies.



Executive Summary

People are leaving their countries of origin in record numbers, which produces many benefits, but also challenges and security threats.

Migration involves so much more than the movement of an individual from one country to another and as such it is not surprising that migration-related issues are highlighted as trends in several sections of this document. Historically, international movements have brought economic and social benefits to the migrating individuals, receiving countries, and even to the source countries (e.g., remittances and relief from over-population). Indeed, today's population growth in developed countries is being sustained increasingly by new arrivals.

However, current migration patterns show that there is also a dark side to immigration; some individuals are trafficked across borders against their will, while others rely on criminal networks to enter countries illegally. Additionally, not all migrants integrate well into their new countries, and many encounter difficulties in gaining acceptance and achieving socio-economic status compared to their native-born counterparts. Such situations can lead to social and cultural tensions and even violence. Most ties that migrants maintain with their countries of origin are benign, but some maintain connections to individuals, groups and ideologies that pose threats to the safety and security of their new country.

Climate change is emerging as one of the central global challenges of the 21st century.

Worldwide focus on this issue and its potential impacts intensified in the latter part of 2006 and early 2007. Much of the current discussion centers on long-term impacts and implications, but direct effects are increasingly being felt now, particularly in more northerly regions of the globe (including Canada). It may not be long before there is widespread thawing of ground and permafrost, which would significantly disrupt overland transportation and infrastructure in these areas, negatively affecting quality of life and law enforcement's response capabilities.

In Canada, melting ice is also opening up the Northwest Passage to shipping, increasing the significance of the sovereignty dispute over whether the Passage is solely within Canadian waters or an international waterway.

Below are a number of Canada-specific trends of note:

The economic boom in Alberta, driven by wealth generation from oil and gas extraction, is a significant feature of early 21st Century Canada.

Alberta's current economic performance – the strongest ever by a Canadian province – is making a disproportionate contribution to the country's economic growth. While producing jobs and prosperity and precipitating the greatest inter-provincial movement in Canadian history, Alberta's booming economy is also resulting in some pressure points. For example, oil and gas development and usage produces significant negative environmental consequences, the province's infrastructure (e.g., health, education, transportation, housing and social services) is under strain due to the rapidly increasing population, and there are severe labour shortages throughout the province. Increasing disposable income and marginalization of those left out by the boom may also lead to increased criminal activity.

Current demographic trends will play a significant role in shaping Canada's future, affecting all Canadians.

Overall, the Canadian population is getting older as life expectancy continues to increase, and lower birth rates are leading to a shrinking proportion of younger people. These trends are expected to continue, resulting in a diminishing proportion of people of working-age, and an increasing proportion of seniors. Canada is also increasingly becoming home to a rapidly growing, non-European, non-Christian population.



Executive Summary

Most sectors and organizations, including law enforcement, are already facing the impact of these population shifts as recruits must now be drawn from smaller pools of potential employees and managing diverse populations requires a similarly diverse workforce. There is also the potential that seniors will comprise a significant and growing segment of the victimized population (e.g., abuse by caregivers, telemarketing fraud, etc.).

The challenges faced by Aboriginal People continue to defy easy solutions.

Compared to Canadians overall, Aboriginal People have higher levels of unemployment and poverty, poorer housing and lower levels of educational attainment. On the whole, they have more significant health issues, lower levels of life expectancy and higher suicide levels. Aboriginal People are also over-represented in the justice system, both as perpetrators and victims. A greater proportion of the Aboriginal population is aged 15-25 years old, an age category described as "crime prone" by criminologists. Progress in settling self-government and land claims issues is slow and remain an irritant, and there have been some recent setbacks and tensions in relations between the Government of Canada and First Nations groups.

The enhanced demands and requirements for accountability and adherence to high ethical standards are impacting law enforcement organizations disproportionately.

These demands are coinciding with the high profile of public safety and security issues in the post-9/11 era. Much of the recent publicity concerning Canadian police has been unfavourable. However, survey results suggest that Canadians continue to have significant trust and confidence in the police, perhaps in part due to their personal observation and experience with uniformed police.

Recent political developments suggest that Canada can expect minority governments at the federal level for the foreseeable future.

The electoral weaknesses of the two largest parties in significant parts of the country, and the Bloc Quebecois' continued strong grip on the majority of Quebec seats, present the greatest barriers to the formation of majority governments. Historically, minority governments have tended to be unstable – with greater focus on short-term political objectives – and have had short life-spans, with defeat (and subsequent elections) often occurring unexpectedly. In this environment, federal government agencies are obliged to follow political developments and shifting priorities, so they can be proactive in response to the opportunities for new funding, as well as to risks to existing programs and funding. Federal agencies are also finding it necessary to develop contingency plans in the event that proposed policies, legislation or funding are adjusted unexpectedly, or do not become a reality due to the dissolution of Parliament.

The following are a number of key public safety and security trends identified in the document:

Domestic radicalization is emerging as a significant threat in developed countries, including Canada.

Recent terrorist attacks and arrests have increased focus on the phenomenon that small numbers of young radicalized Muslims, born or long-time residents in Western countries, are conspiring to carry out terrorist attacks. Though difficult to profile, the perpetrators believe in the tenets of a highly ideological and politicized brand of Islam, and are motivated, at least in part, by the perceived mistreatment of Muslims around the world.



Executive Summary

Improving the security of critical infrastructure (CI) has become a much higher priority worldwide.

There is an increasing recognition that the success of economies and societies is increasingly dependent on complex and interconnected CI networks. Attention to CI security has increased due to high profile terrorist attacks and incidents and the potential impact of future attacks. Disruption and losses caused by natural disasters and accidents, however, can be more widespread than those caused by malicious attacks. The focus of CI security improvements has been on contingency and business continuity planning, back-up systems development, training, security awareness and information sharing, and building effective private, public and international partnerships.

The transformation of organized crime (OC) groups and activities is continuing.

The rigid, hierarchical criminal organizations of the past are increasingly being replaced by looser and more sprawling criminal networks. There is increasing incidence of temporary alliances among criminal groups to carry out illicit activities, and utilization of 'service providers' with the skills necessary to carry out specific crimes. Many major OC groups have a significant transnational capability, as a result of their resources, flexibility and adaptability. Illicit drug production and trafficking continues to generate significant revenues for OC groups worldwide, but crime groups are involved in a wide and continually expanding number of other illegal activities.

Counterfeiting and intellectual property crimes continue to be big business around the world and are flourishing in Canada.

A wide variety of fakes are being produced and sold globally, with counterfeiting of consumer electronics equipment particularly prevalent. Canada is a growing target of domestic and international criticism, both for the purported inadequacy of the laws to protect intellectual property rights and for the enforcement of the laws currently in place.

Identity fraud, in its many forms, is perhaps the fastest growing crime problem globally.

Much of the growth is being driven by opportunities provided through the expansion and evolution of information technology and the involvement of OC groups. New methods and forms of identify theft and fraud are emerging frequently; law enforcement is struggling to keep pace with the rapidly expanding scale and scope of the problem.



Evaluation Form

We appreciate your feedback!

Please help us to ensure that the RCMP's 2007 Environmental Scan contains relevant, accurate and useful information by taking a few moments to answer the questions below. You can either fax or e-mail the completed form to the Strategic Policy and Planning Branch.

Fax: (613) 993-4453

E-mail: alison.whelan@rcmp-grc.gc.ca

Internal feedback can be sent via ROSS.

Does the document contain information that is relevant and useful to you?

Are there important issues and/or trends that we are missing?

Is the format logical and easy to follow?

How could it be improved?

Additional Comments?

Thank you for your input!





Demographics

The world's population continues to grow, but unequally. Developing countries are experiencing high growth rates, while developed countries are facing population decline.

Canada's population continues to grow with most of this growth concentrated in the country's largest centres and mainly along the US border. Population growth is primarily driven by international migration as Canadians continue to have fewer children; however, this is not the case for the Aboriginal population.





Demographics



GLOBAL

Global population hits historic high

the United States Census Bureau estimated global population at 6.5 billion as of February 25, 2006

previous 100 years has seen phenomenal growth rates

- population quadrupled during 20th Century
- dramatic increase due to decline in mortality rate and increases in life expectancy

global population is predicted to top 9B by 2050

- global annual growth rate of 70-80M people

overall, population growth rates have shown signs of slowing in recent years

- fears of a population explosion replaced by concerns of declining populations

some studies suggest that global population will have peaked and will begin a substantial decline by 2075

- falling birth rates are the key factor

overwhelming majority of current – and projected future – growth is taking place in developing countries

Latin America, Africa, Southern Asia are home to highest population concentrations

- India, China, United States, Pakistan, Indonesia, Nigeria and Bangladesh respectively to be world's most populous countries for the foreseeable future

population growth in industrialized countries is slowing

- United States is the only industrialized country experiencing significant population increases; achieved a demographic milestone by reaching a population of 300M in early 2006
- Russia, Germany and Japan will see actual declines in population over next several decades; population of both Russia and Japan are expected to shrink by almost one-fourth by 2050

DOES SIZE MATTER?

Experts claim that population size, along with wealth, is a crucial determinant/indicator of power. Given that the US continues to grow, is home to a substantial youth population, and has considerable wealth, it is likely that the country will continue to be the most powerful in the world.



Demographics



GLOBAL

Shifting demographics

developed countries are home to largest percentage of older people

moving closer to an *age vase* and away from an *age pyramid*

- increasing fears of a *demographic deficit*
- Asia and Europe are home to largest share of older people

China is facing dire situation

- ratio of young to old already tilted in direction of old
- one-child policy has exacerbated the problem; experts worry about “demographic time bomb”

developing countries are home to history’s largest youth bulge

1.3 billion people aged 12-24 years; expected to increase to approximately 1.5B by 2035

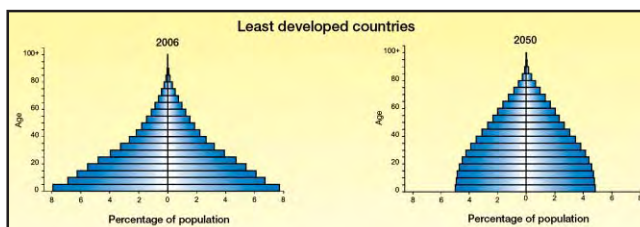
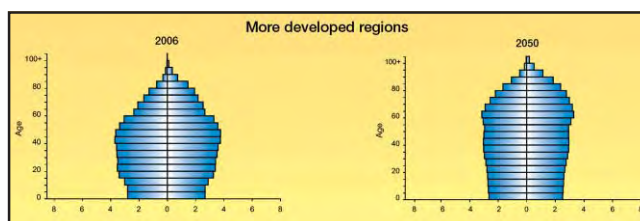
- one-third of population in low-income countries is under 15 years of age
- youthful demographic is found principally in countries in the Middle East, Sub-Saharan Africa; also in parts of the South American Andes, Central Asia and Pacific Islands

however, pace of aging is more rapid than that of developed countries

globally, fertility rates are decreasing

situation is felt most acutely in developed countries

- birth rate falling in almost all countries with the exception of United States and France
- fertility rate has dropped below replacement level (i.e., ration of 2.1 children per female) considered sufficient to replace present populations



Source: United Nations Department of Economic and Social Affairs/Population Division, Population Ageing 2006

Like many organizations, the RCMP will experience high retirement levels over the next several years. Each retiring employee takes with them a wealth of knowledge and experience that unless captured in a systematic manner will be lost to the organization. There are a number of tools and processes (e.g., Wiki and web forums) which can be utilized to help capture the knowledge/experience gained throughout an individual’s career, which could help to ensure that their experience benefits others and the organization as a whole.



Demographics



GLOBAL

Shifting demographics...

most EU countries are experiencing long-term downward trends in birth rates

- 'natural' population growth rates are entering periods of declining growth or outright decreases
- fertility rates now below replacement level in nearly all countries; Germany suffered another decline in birth rate in 2005 – now Europe's lowest

fertility rates in developing countries are twice the rate experienced in developed countries, but are showing signs of slowing

- 5.5 children per female in 2006

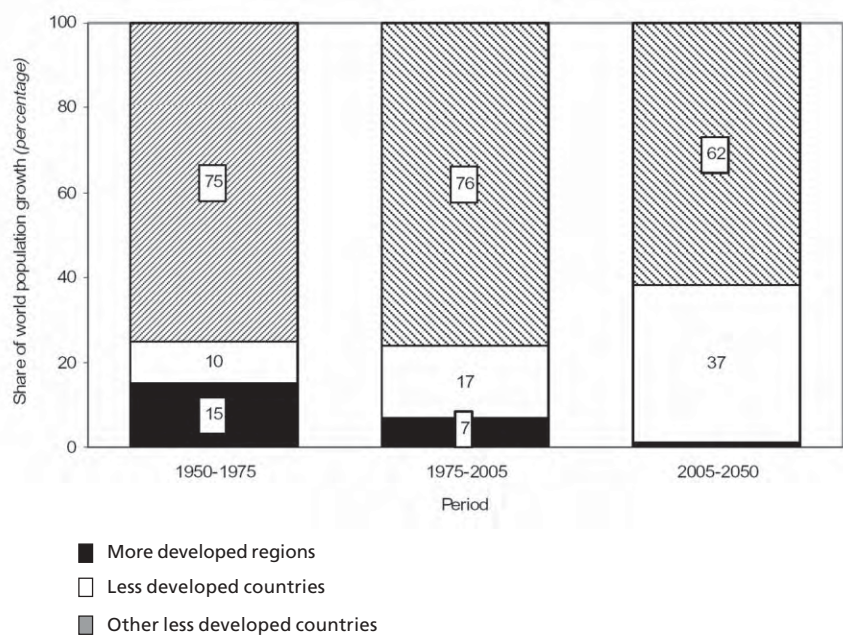
countries are seeking to offset population aging and decline

increasing intake of migrants

- between 2000 and 2005, immigration has prevented population decline in 28 countries

childbearing initiatives were established in countries such as Australia, Estonia and Singapore

Share of world population growth by development group – 1950-2050



Source: United Nations Department of Economic and Social Affairs/Population Division, World Population Prospects: The 2004 Revision, Volume III: Analytical Report



Demographics



GLOBAL

Urbanization – a global phenomenon

for the first time in history, the majority of world's population lives in cities

most of global population growth taking place in urban centres

- urban areas gaining 67M people annually; 180,000 people added every day
- in 2007, the world's urban population will equal the world's rural population
- 60% (5B) of global population will live in cities by 2030

urban populations in developing countries are growing the fastest

now account for 90% of the world's urban growth

- Africa's urban population will double from 295M in 2000 to 590M in 2020

growth is leading to emergence of megacities (i.e., urban centres of more than 10M people)

- currently 20 megacities globally; primarily found in developing world
- three additional megacities by 2015, representing 5% of globe's population

sustainable urbanization is a new imperative

recognizing unstoppable urbanization, urban planners from around the world issued The Vancouver Declaration (2006)

- calls for a new paradigm for managing human settlements
- emphasizes the links between the economic, social and environmental spheres
- seeks collaboration with other sectors and support for community leadership (e.g., changes in governance)

When you think about population growth at large, there is a density factor. People do not just spread evenly across the country. They are crowded in the cities, they are crowded in the coastal plains. And that makes for all kinds of problems. We know that with higher density there are often higher rates of crime, greater chance of the spread of epidemics.

Source: Elizabeth Chacko, George Washington University, March, 2006



Demographics



GLOBAL

Unprecedented global movement of people

the number of people living outside their country of origin is at an all-time high

approximately 191M people – 3% – lived outside their country of origin in 2006

- however, the percentage of people living in host countries has changed only marginally over the last 40-50 years

predominately, people are moving from the developing world to the developed

majority (60%) of migrants live in industrialized countries; three-quarters of these are concentrated in only 28 countries

- Europe (64M) home to largest percentage of global migrants; followed by Asia (53M) and North America (45M); United States continues to hold distinction of receiving highest percentage of migrants

however, migration among developing countries is increasing

- immigration flows increasing to China and India; people are following traditional path of pursuing economic opportunities

historical *sending* countries are becoming receiving countries

- countries such as Portugal and Ireland, which have seen their people leave for centuries, are increasingly becoming destinations of choice

migrants typically settle in the largest and most important cities in each country

- prediction that in 25 years more immigrants will settle in cities, resulting in an even more ethnically/racially diverse composition

MOVING ON

Migration is no longer a one-way process with many migrants now moving several times during their lifetime (i.e., turnstile migration). Commencing a post-secondary education, beginning a new career and retirement can all be occasions for moves within countries and abroad. Many people, particularly the more educated, return to where they grew up to work and/or retire. It is predicted that as migrants become more educated, migration will become more of a life-cycle phenomenon. Ever-decreasing travel costs have made more and temporary movements possible.



Millions vulnerable worldwide

“persons of concern” represent sizeable population

UNHCR estimates this population at 20.8M at end of 2005; up from 17M in 2004

- estimate captures internally displaced persons, asylum-seekers and stateless persons

however, there is a global decline in numbers of refugees and asylum claims

last five years has seen a 31% decrease in number of refugees; 8.4M refugees in 2005

- recent decreases due to durable resolutions in countries that were fled (e.g., voluntary repatriation)
- Afghanistan continues to be the largest source of refugees; Afghans represent 23% of global refugee population
- current trend indicates that in future only three (or less) out of ten persons of concern will be refugees

asylum claims also declining in recent years

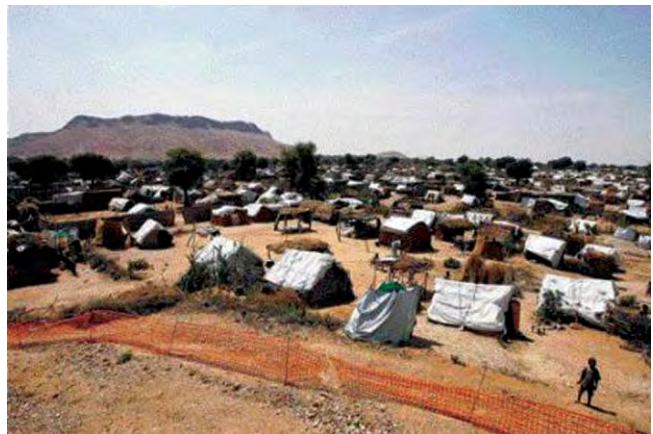
- Pakistan, Iran and Germany – respectively the three largest asylum countries for refugees – have witnessed significant decreases in claims
- decreasing number of asylum applications in all industrialized countries
- revised asylum policies of the West and increasing difficulty in reaching asylum countries are most commonly cited reasons for decline

significant increases in internally displaced persons (IDP) worldwide

approximately 6.6M IDP concentrated in 16 countries, up from 5.4M in 13 countries in 2004; 22% increase primarily due to situations in Iraq and Somalia

- Colombia was home to one of the largest IDP populations at end of 2005 – estimated at 2M people
- anticipated that global number will increase substantially in the future

Refugee camp in Darfur (Sudan)



Source: *The Gazette*, September 1, 2006



Demographics



CANADA

Population continues to grow

population growth is on upward trend, but growth rate has slowed

population reached estimated historical high of 32,730,200 as of October 1, 2006

- represents a 1% increase from previous year; higher growth rate than US

population growth varies across the country

Alberta's growth rate was three times higher than national average in 2005-2006

- between July and September 2006, Alberta's population rose at its fastest quarterly pace in 25 years
- population of 3,413,500 as of October 1, 2006

population growth in Alberta is due in large part to inter-provincial migration, natural growth

- inter-provincial migration to Alberta during 2005 was larger than to any other province in Canada's history during a single year
- the number of people migrating to Alberta in the first nine months of 2006 exceeded the total for all of 2005

growth continues to be weak or in decline in many other Provinces and Territories

- Newfoundland and Saskatchewan in decline for last ten years
- Prince Edward Island only province in Atlantic Canada with positive growth rate in 2005-2006

Ontario continues to be home to country's largest population; followed by Quebec and British Columbia

Newfoundland and Prince Edward Island and the three territories have the smallest population

growth is concentrated in larger cities

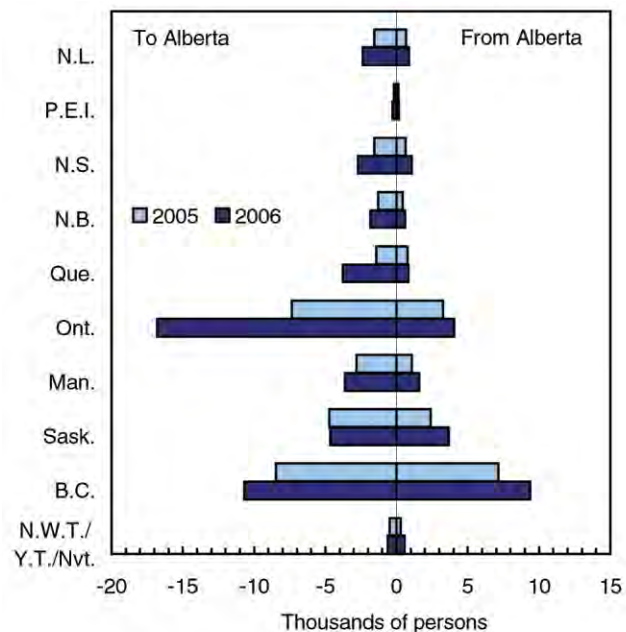
over 60% of population resides in the country's 25 largest centres

- these centres accounted for 95% of the growth between 1996 and 2001
- Toronto (5.3M), Montreal (3.6M) and Vancouver (2.2M) most populous cities
- 80% of national population live within 250km of US border

2006 NATIONAL CENSUS

Data from the 2006 Census will be released by Statistics Canada beginning in March 2007.

In- and out-migration to/from Alberta, third quarter of 2005 and 2006



Source: Statistics Canada, "The Daily", Thursday, December 21, 2006



Demographics



CANADA

Migration outstrips natural growth

steady decline in natural population growth since 1990s

fertility rates are currently below replacement level (i.e., 2.1 babies per female)

- rate of 1.61 per female between 2001-2005

immigration remains primary driver of population growth nationally

Canada accepted an estimated 255,000 new permanent residents in 2006; between 240,000 and 265,000 are anticipated in 2007

immigration accounted for over 60% of population growth over last five years

- comparatively, during most of the 1970s immigration accounted for 37.1% of growth

migrants are unevenly distributed throughout the country

- approximately 80% settling in Toronto, Vancouver, Montreal, Calgary and Edmonton; majority settling in the first three cities
- immigration to the rest of Canada is decreasing

Net international migration has been the main engine of population growth in Canada since the beginning of the 1990s. However, it has had little impact on the population's age structure. The only way the aging process can be reversed is through a fertility rate that is permanently above the replacement level.

Statistics Canada, "The Daily", October 26, 2006

ALBERTA BUCKS TREND

The province is currently experiencing a baby boom. One hospital alone recorded 443 births in August 2006; up from 400 in a one-month period in the previous year. Health officials are predicting that the final total for 2006 will be 15,200 babies – levels that were predicted to be reached by 2010. Emigration/immigration to the province is contributing to the boom as only half of newborns are born to mothers originally from the province.

Source: Oh baby! <http://ca.news.yahoo.com>

If current trends continue, cities will be home to the overwhelming majority of the population. There will likely be several impacts and challenges for the RCMP and other law enforcement organizations such as:

- an increasing number of joint RCMP-municipal investigations as urban crime sprawls into rural areas policed by the RCMP;
- a greater likelihood that cities policed by the RCMP will want more control of police activities, funding and governance;
- priority setting that recognizes growth in police resources may not match the growth in the population (i.e., population to officer ratio); and,
- private security services may increasingly be called on to fill (perceived) law enforcement gaps.



Demographics



CANADA

Multicultural Canada

Canada is home to rapidly growing non-European, non-Christian population

diversity in race, ethnicity, religion and language increased in the last 15 years

- today, Toronto is home to people from over 200 countries, at least 130 languages, and the majority of world's religions and cultures; one of the most diverse cities in the world

the proportion of immigrants from Europe continues to decrease annually

- greatest proportions of immigrants arriving from Asia and Middle East; followed by South and Central America, the Caribbean and Africa
- mother tongue of majority of new immigrants neither English nor French

increasingly, new Canadians are visible minorities

- 4M people identified as visible minority in 2001; Statistics Canada predicts that one in five Canadians (19-23%) will be a member of visible minority group in 2017
- Asians and Arabs – fastest growing visible minority populations; current populations estimated to double in size by 2017
- majority (75%) of visible minority population resides in Toronto, Vancouver and Montreal with trend expected to continue

adherence to non-Christian religions is increasing significantly

- between 1991 and 2001, the Muslim community grew by 129%; 89% increase in the Hindu and Sikh community; and 83% in the Buddhist community
- over 1.5M people identify themselves with one of these four religions

Canadian population is expected to become even more diversified in years to come

- chain migration, family reunification and high birth rates of migrants are contributing factors

UNEVEN INTEGRATION

The results of a report released by the Institute for Public Policy Research in early 2007 raise a number of questions regarding the effectiveness of multiculturalism for some new Canadians. The study, based on an analysis of Statistics Canada's 2000 Ethnic Diversity Survey, reveals that, in comparison to white immigrants of European ancestry, visible-minority immigrants are slower to integrate, feel less Canadian, trust other citizens less and are less likely to vote. The situation is even more pronounced for the children of visible-minority immigrants.

Studies also reveal that the overall economic performance of newcomers has fallen significantly below that of both earlier immigrants and people born in Canada. In addition, immigrants, particularly visible minorities, report having been a victim of discrimination, racism, and/or social exclusion in a number of areas (e.g., employment, housing and education).

A diverse society requires an equally diverse, representative and culturally sensitive workforce. Such a situation:

- enables the entire organization to relate to the population it services by providing a deeper understanding of the needs of all segments of the community and how best to serve them; and,
- assists in community outreach/relations and helps to avoid misunderstandings and miscommunication based on cultural differences and limited knowledge.



Demographics



CANADA

Graying of Canada

national population continues to get older

median age reached a record high of 38.8 years as of July 1, 2006

- increased by 1.7 years in last five years; considerably higher than 20 years ago (e.g., 31.0 years in 1985); predicted to top 40 by 2011 and 47 by 2056
- Canada is home to third lowest median age of all G8 countries, behind only US and Russia

oldest populations are concentrated geographically

- Atlantic Canada and Quebec are home to oldest populations; higher median age than national average
- Ontario and Western provinces have younger populations; Alberta has the youngest population

projections of aging population are troubling

- proportion of working-age population projected to decline steadily throughout next two decades
- seniors to outnumber children in 2015
- by 2056, one out of ten Canadians will be 80 years and older; currently one in 30

proportion of young population has been falling continuously since 1964

expected to decline further over next 30 years

- 24.3% of Canadian population under 20 years of age on July 1, 2006

The aging population and the perception that seniors are more trusting and vulnerable could result in a shift in the nature and victims of crime. Seniors are currently among the victims of crime, but may become more so particularly for crimes such as telemarketing fraud. To combat this, law enforcement may need to find ways to:

- make seniors more aware of crime that target them; and
- empower seniors to report incidents – indignation felt after being victimized by someone close to them or as a result of self-perceived inadequacies may make seniors more reticent to report crimes which may, ironically, embolden criminals against them.

POPULATION PREDICTIONS

Statistics Canada predicts a population of between 36M-42M in 2031. The population is expected to increase through 2056 (36-50M), but will gradually slow down thereafter with immigration being the only source of growth. Ontario and British Columbia will have higher population growth rates than the national average in 2031. Newfoundland, New Brunswick and Saskatchewan are projected to have a smaller population in 2031 than today.

NEW RECORD

Newfoundland and Labrador achieved the distinction in 2005-2006 of being the first Canadian jurisdiction to register more deaths than births in a calendar year.



Demographics



CANADA

Aboriginal population – a study in contrasts

share of total population continues to increase

1.06M – 4.4% of national population – reported Aboriginal ancestry in 2001

- population with Aboriginal ancestry increased tenfold between 1901 and 2001
- projected growth rate of 1.8% annually
- Inuit population projected to grow the fastest, followed by North American Indians and Métis

total Registered Indian population is 748,371 as of December 31, 2005

- 397,980 of these are on reserves; almost equal number are off reserves
- 615 bands, comprising 52 Nations or cultural groups (e.g., Haida, Cree and Mohawk) with more than 50 languages
- projected to increase by 24% between 2001 and 2021 (703,800-940,000)

Saskatchewan, followed by Manitoba, is home to the highest proportion of Aboriginal People

- Ontario home to the largest Aboriginal population

on-reserve registered population is largest in Ontario, followed by Manitoba, Alberta and British Columbia

Aboriginal birth rates are significantly higher than the national average

currently, 1.5 times higher than non-Aboriginal birth rate

- Aboriginal children account for 5.6% of all Canadian children

Aboriginal population is young

higher proportion of youth than national population

- median age of 24.7 years in 2001
- projected to increase to 27.8 years by 2017

life expectancy is still lower than non-Aboriginal population

6.6 year gap between life expectancy of Registered Indians and Canadian population overall

“Demographic variables have been cited as the strongest determinants of crime rates and hence have been central to predictions about the future of crime... In particular, the demographic variable that appears to most influence crime is the size of the male population within the crime-prone years of 15 to 25. As such, it has been argued that the age structure of a society has the most influential effect on the level of crime in a society. In those societies with large proportions of young males there tends to be a higher crime rate.”

Source: Dr. Stephen Schneider, Predicting Crime: The Review of Research, Justice Canada, 2002



Demographics



CANADA

Policing resources

police strength has grown since 2000, but lags behind other developed countries

Canada now has 192 uniformed officers per 100,000 population; 62,500 officers in total

- highest rate since 1994, though below the peak of 206 per 100,000 in 1975

Canada ranks 25th out of 29 OECD countries in per capita police strength

- police strength of the top 12 countries was more than 300 officers per 100,000

Saskatchewan, Quebec and Manitoba respectively have the highest rate of officers per 100,000 population in 2006

- lowest rates reported in Newfoundland and Labrador and Prince Edward Island

municipal police forces employ majority (66%) of police officers

- responsible for policing 79% of Canadian population
- Thunder Bay, Winnipeg, Montreal and Regina home to most officers per 100,000 CMA (Census Metropolitan Areas) population in 2006; lowest rates in Saguenay, Sherbrooke, Kingston and Ottawa

number of female police officers and civilian personnel in forces increasing

- female officers increased by 6% in 2006; females represent 19% of RCMP Members
- rate of civilians increasing as proportion of total employees since 1962

nationally, police workforce is aging and retiring

research by the Police Sector Council projects that 50% of current officers will retire by 2010

- non-commissioned officers will experience an attrition rate of 40% over same period
- significant recruitment is needed to maintain current officer strength at all levels

many RCMP Members are reaching pensionable service

approximately 650 RCMP Members will retire each year for next five years

- RCMP saw 736 Members retire in 2005
- average age of executives (i.e., C/Supt and up) is 51.4 years; average age of retirement is 54.1
- many officers are extending careers by several years, but still retiring earlier than average workers – result of starting careers at young age and a pension plan that allows this

Society



Despite some progress, high levels of poverty in the developing world and the gap between the haves and have nots continue to be key features of the global community. Illegal drug consumption continues to rise, primarily due to methamphetamine and cannabis use.

Disparities are evident in Canada with specific sub-populations disproportionately impacted. Aboriginal People continue to experience significantly lower socio-economic conditions than the non-Aboriginal population, including higher rates of poverty, homelessness and unemployment.





Society



GLOBAL

Improving poverty picture

poverty levels are decreasing in the developing world, but significant problems remain

19% of world's population in 2002 was living in extreme poverty compared with 28% in 1990

- number of people in Asia living on less than \$1 a day dropped by nearly a quarter of a billion people between 1990 and 2002

Latin America and Caribbean are now home to largest share of people living in poverty

- followed by South-East Asia and Oceania
- number of people living in extreme poverty increasing substantially in sub-Saharan Africa

poverty is increasingly concentrated in slums

- 1 in 6 persons – one-third of world's urban population – lived in slums in 2005
- thousands of people moving into slums every day; if trends continue, by 2020 this number will increase to 1.4B people
- 72% of urban dwellers in sub-Saharan Africa and 58% in South-Central Asia are living in slums

chronic hunger is declining, but hunger levels in general remain a concern

- over 820M people in developing countries were afflicted with chronic hunger in 2003
- number of people going hungry increased between 1995-97 and 2001-03

poverty continues to impact quality of life/ mortality rates

- 50,000 – 16,000 of which are children – die each day from poverty-related illnesses
- 27% of children under 5 in the developing world are moderately to severely underweight

wealth is overwhelmingly concentrated in developed countries

richest 2% own half of the globe's wealth; poorer half of world owns barely 1% of global wealth

- North America, Europe and some countries in Asia Pacific (i.e., Japan, Australia) are the wealthiest; account for 90% of household wealth

pressures continue on Western governments to increase public aid spending

- committed to double aid from \$25B to \$50B by 2010; there are indications that this will not happen

RADICALLY DIFFERENT PICTURE

Globally, more than 1B adults are overweight, 300M are clinically obese.

- China is home to one-fifth of the world's overweight and obese people with numbers rising dramatically.
- Government officials in the United Kingdom estimate that 22% of its citizens are obese and another three-quarters are overweight.

CHANGING DYNAMICS OF AID

There is a great deal of interest in micro-credit and micro-financing, particularly following the awarding of the 2006 Nobel Peace Prize to the founder of the Grameen Bank. The system of micro-credit provides small loans to poor people in developing countries to start businesses. In the past 9 years, 82M people living on less than a USD\$1 per day have received funds through micro-credit. Half of all recipients over the past 5 years climbed above the poverty line. Currently, micro-credit institutions are opening worldwide, supported by key international players and banks (e.g., Bill Clinton, Bill Gates and Warren Buffet). The Global Microcredit Summit 2006 in Montreal set goals of providing financial services to 175M poor families and lifting 100M people out of poverty.



Society



GLOBAL

Disease levels are a concern

preventable/curable diseases are wreaking havoc on the globe's population

38,000 people die each day from infectious diseases

HIV/AIDS continues to plague the world

every region has witnessed an increase in the number of infections since 2004; some countries/regions have been impacted more than others

- India has the largest population of infected people in the world at 5.7M – new epicenter of global epidemic
- sub-Saharan Africa is home to two-thirds of all infections
- infection rates have increased by 50% in Eastern Europe and Asia since 2004; South-East Asia is home to globe's highest rates of new infections; Ukraine is home to Europe's fastest growing epidemic

increasing feminization of the virus

- currently 17.7M females are infected
- females account for 57% of new infections in sub-Saharan Africa; in 2004, 26.9% of new diagnoses in United States were in women compared to just 7% in 1985

high risk behaviour is contributing to new infections (e.g., unprotected sex and high risk sex)

- intravenous drug use is the largest contributor to new infections in Eastern Europe, Central Asia and Russia

infections among men who have sex with men (MSM) are increasing

- resurgent epidemics in the United States and parts of Europe

preventing new infections is difficult

- testing remains low; many unknowingly pass on the virus
- widespread reports of stigma and discrimination against those with HIV
- inadequate efforts to reach vulnerable populations

HIV/AIDS is becoming a chronic disease

- antiretroviral therapy means disease is no longer a death sentence; however, drugs are still only reaching one in five who require them

Tuberculosis (TB) and malaria remain threats

one person dies every 18 seconds from TB; more than 2M people die annually

- most TB-related deaths are in sub-Saharan Africa and South-East Asia; increasing numbers in former Soviet republics

1M people die each year from malaria

- 99% of deaths from malaria are located in Africa

Malaria, in tandem with HIV/AIDS, stands in the way of social progress and better standards of life at every level, from children's intellectual and physical development to the growth of national economies.

Source: Carol Bellamy, Executive Director UNICEF, Speech to the African Summit on Roll Back Malaria, April 25, 2000, Abuja Nigeria



Society



GLOBAL

Education gaps

disparities in educational outcomes exist between developing and developed countries

staggering number of children are denied education in developing countries; rural children are less likely to attend school

- 115M children do not receive formal schooling
- more than one in five girls of primary-school age are not in school; ratio of one in six for boys
- almost 80% of out-of-school children are concentrated in South Asia and sub-Saharan Africa

educational outcomes continue to lag for females of all ages

- women in many developing countries receive little or no education
- gender gap is most evident in Middle East, Western and Southern Asia, and Oceania

situation is vastly different in OECD (Organization for Economic Cooperation and Development) countries

experiencing increases in participation in primary, upper secondary and tertiary education in last decade

educational attainment is also increasing

- increasing numbers of students are going beyond compulsory schooling; children can now expect to undertake 16-21 years of education during lifetime
- more than eight in ten complete upper secondary education; completion rate of tertiary education is now above one-third
- majority of young people (53%) will undertake at least some tertiary education (university or equivalent) in their lifetime
- educational attainment continues to increase among adults

attainment levels among males are still higher than that of females

- on average, men (25-64 years) have more years of schooling; situation particularly acute in some countries (i.e., Switzerland, Korea)
- however, younger females are generally outperforming male counterparts, particularly at upper secondary level



Society



GLOBAL

Increasing drug usage

rates are increasing primarily due to cannabis and methamphetamine use; smaller increases in consumption of opiates and cocaine

estimated 200M people – 5% – worldwide use illegal drugs

- designer drug use is driven by a more affluent class of drug users with high disposable income

globally, cannabis is the most commonly consumed drug, followed by amphetamine-type stimulants, ecstasy, opiates (i.e., heroin) and cocaine

- an estimated 162M people used cannabis in 2004; increase of 10% since late 1990s

three-quarters of all countries report abuse of heroin; two-thirds report cocaine abuse

- indications (e.g., increased seizures) that abuse of cocaine is widespread in the EU

ecstasy and methamphetamine abuse is no longer increasing, but remains a significant problem

- increased law enforcement and greater awareness of health risks are stabilizing consumption rates
- however, Great Britain and North America are experiencing increasing methamphetamine consumption rates; problems in the United States have led to establishment of National Methamphetamine Awareness Day

increasing concern about non-medical abuse of pharmaceuticals (e.g., Vicodin, morphine, Oxycontin); consumption among youth is of particular concern

- International Narcotics Control Board reports that use of these drugs now rivals abuse of all other drugs in North America
- over 12% of young adults (18-25 years) in the US reported using prescription pain relievers non-medically in 2005; additional studies found that 1 in 10 intentionally abused over-the-counter drugs (e.g., cough medicines containing dextromethorphan)

The physical hazards of meth



Source: US Department of Justice's Meth Awareness Day webpage – (www.usdoj.gov/methawareness)



Society



GLOBAL

Widening international variation in legislation on morality

global polarity on views of homosexuality

increasing acceptance of same-sex marriages

- as of November 2006, the Netherlands, Belgium, Spain, Canada, South Africa and Massachusetts allow marriages
- civil partnerships are supported in a number of countries (e.g., UK, Scandinavia, Germany, France, Luxembourg); civil unions are allowed in Mexico City, Argentina, New Zealand and 3 US states

in other locations, denial and criminalization of homosexual practices continue

- constitutional amendments banning same-sex marriage have been supported in 26 US states
- punishable by death in at least 6 Muslim-dominated states – 4,000 lesbians and gay men executed in Iran since 1979; 2 teens were publicly hanged in July 2005
- fines, prison sentences and corporal punishment in other countries, particularly African and other countries with Muslim majorities
- increase in numbers of gay Iraqi men seeking asylum in United Kingdom; the Netherlands began granting asylum to gay and lesbian Iranians

uneven adoption of Sharia (Islamic) law/courts in countries/regions with Muslim majorities

movement towards Sharia law has been seen in Somalia, Thailand, Indonesia and Nigeria

- police enforcing laws governing religious morality in Aceh (Indonesia)
- northern Nigeria states reintroducing Sharia courts with harsh punishments for adultery, apostasy
- increasing frequency of executions in Iran for drug smuggling and sex outside of marriage

reverse is true in other countries with Muslim majorities

- Pakistan (2006) announced rape cases can proceed in civil instead of Islamic courts (where 4 witnesses are needed)
- new Afghan constitution includes written equality guarantees for women and girls, removes death penalty on homosexuality



Society



GLOBAL

Racism and xenophobia on the rise worldwide

rise in intolerance since 9/11

immigrants, asylum seekers and refugees are primary targets

- increase in racist violence by neo-Nazi and nationalist groups in Eastern and Central Europe (e.g., over 30 people killed and 140 injured in racist attacks in Russia in 2006; approximately 50,000 skinheads in Russia)
- monitoring body in Europe reports ongoing problem with racist violence and crime

discernable levels of anti-immigration sentiment in some countries in the West, particularly in some European countries

anti-immigrant sentiment is manifested in different ways

- immigrants accused of lowering wages, taking jobs from native-born citizens, stressing public social systems, etc.

waning support for migrants who possess customs and values counter to national population

- religious and cultural practices of some migrants are not always welcomed

immigrants face barriers and/or discrimination in a number of areas (e.g., employment, housing and education)

- discrimination is often unchallenged; abuse from public officials is not uncommon
- suffer from feelings of cultural alienation, social isolation, segregation and backlash
- racism and discrimination were seen as contributing factors to riots in France in 2005

rise of anti-immigrant parties and platforms in parts of Europe

increased political focus on socio-cultural issues

- right-wing extremism evident in Denmark, Holland, Sweden, Germany, Latvia, Malta and the Slovak Republic
- a recent poll revealed that 67% of European Union citizens are against new migrants

political figures and media have been creating/ contributing to tension

- popular focus on immigrants as criminals and immigration as a problem; using words such as inundated, flood, overrun when speaking about migration

The rise of intolerance in today's world and the inability of different people to live together threatens peace, the safety of refugees and the social cohesion of societies.

Antonio Guterres, UNHCR, November 10, 2005, New York



Religious intolerance is increasing

emerging reaction to perceived separatism, extremism and fundamentalism

predictions were made that globalization would reduce influence of religion, but opposite effect has been seen

open displays of religious symbols have been contentious; Muslim dress has become a flashpoint

- German regions have banned the wearing of the veil in schools
- British Prime Minister Tony Blair referred to the veil as a "mark of separation" from "the mainstream of society"; Sweden Integration Minister said veils and headscarves isolate Muslim schoolgirls

number of events/incidents have contributed to the situation

- e.g., Israel-Palestinian conflict, invasion of Afghanistan and Iraq, cartoons depicting the prophet Muhammad, recent terrorist attacks in Western cities (i.e., London), and the Pope's comments about Islam

growing concerns over Islam/Muslims in the West

seen as a problem to be solved; often associated with terrorism, security problems, threat to Western values (i.e., anti-democratic) by commentators, news media, politicians, etc.

- however, there are fears that public critiques of Islam will provoke violence

opinions of Muslims vary significantly across Europe

- majority of Europeans surveyed (Pew Research Centre) post 9/11 expressed concern about rising extremism
- positive views of Muslims in France, negative reaction among public in Spain; worries about extremism are high in Britain

Experts are not sure how Canadians would react to a terrorist attack on the country. As Dr. Martin Rudner of Carleton University indicates, "Mass pathologies have not been studied in Canada, unlike in some other countries. An extreme reaction is possible depending on the scale of the attack and the ethnicity of the alleged perpetrators. There is a potential for an extreme reaction, involving vengeful, vigilante actions against other members of that ethnic group. Such reactions have occurred in response to more isolated, lower impact events such as confrontations between Aboriginal and non-Aboriginal People over land ownership issues. What would happen if there was a large terrorist attack, with many casualties? A worrying factor is that so many Canadians are in denial about the possibility of a terrorist attack on Canada. It's impossible to predict the fallout from a rude awakening, but polite societies have a tipping point."



Religious intolerance is increasing...

West is viewed negatively by Muslims in Muslim-dominated countries

surveys reveal that majorities view Westerners as selfish, arrogant and violent

- western policies are seen as contributing to the lack of economic prosperity in Muslim-dominated countries

however, Muslims living in Europe hold much more positive views

- Muslims in many countries (e.g., Spain, France and Germany) identify positive traits (e.g., generosity, tolerance and honesty) in their European counterparts
- focus is on the future with the emphasis on their economic situation

increasing frequency and severity of anti-Semitic incidents since turn of the century

expressions of anti-Semitism are evident in countries worldwide, but are particularly acute in specific countries/regions

anti-Semitic incidents have increased significantly in Europe and Russia in recent years

- surging verbal attacks and vandalism; marked increases in physical assaults (i.e., beatings, stabbings, etc.)
- far-right/fringe/ultra-nationalist groups responsible for most of the attacks; involvement of Muslim youth is also noted

Jewish community in Middle East is small, but remains a target

- virulent anti-Semitism in Syria; Iranian government sponsored a holocaust cartoon contest and hosted a conference of holocaust deniers

RECENT FLASHPOINTS IN MUSLIM-WESTERN RELATIONS

A number of high profile incidents raising tensions, modifying behaviour:

- terrorist attacks on London and Madrid transit systems;
- violent demonstrations following publication of Mohammed cartoons in Danish newspaper (e.g., 139 people died in protests);
- resistance to Turkey's entry into the European Union;
- the Pope quoting of the 14th Century Byzantine emperor;
- murder (2004) of Dutch politician and filmmaker; and,
- riots in France (2005).

European Muslims are feeling increased discrimination. One poll found that the number of respondents experiencing discrimination skyrocketed from 35% in 1999 to 80% in 2006.

Source: Mia Bloom, Assistant Professor, University of Cincinnati speech, "The Increasing Radicalization of European Muslims", May 15, 2006, Washington – Woodrow Wilson International Center for Scholars



Society



GLOBAL

Connectivity is a necessity

people all over the world are online

Internet usage has been rising in both developed and developing countries over the last two years

- most significant increases seen in Britain (24%), Poland (18%) and France (16%) between 2004 and 2006
- Asia is currently home to largest numbers of users, followed by Europe; North America is home to largest percentage of people online
- however, substantial disparities exist in access across countries – only 5% of the population in developing countries have Internet access

Internet is attracting people of all ages

people 50 years of age and older represent the largest percentage of new users

- growth rate has outpaced that of young adults in both US and Western Europe

however, youth/young adults are still online in larger numbers

- a recent poll of Canadians, Germans and Americans revealed that 80% of those under 30 years of age reported online activity
- in 2005, 86% of students (grades 4 to 11) in US have email accounts; up from 71% in 2001
- 31% of grade 11 students have a webcam for personal use

In many countries, a person's ability to surf the net is limited by government. Currently, there are more than 40 countries that filter the Internet in some way; of these, 12 countries have pervasive filtration systems to block content.

Source: Nicole O'Reilly, "Scaling the walls of Web censorship", Globe & Mail, November 30, 2006

Internet is used for a myriad of activities

sending and receiving email is number one activity followed by reading the news, online banking and real-time chatting

increasing social networking aspect to online activity; particularly popular among youth

- most popular websites are those that facilitate peer-to-peer interaction and have user-driven content (e.g., MySpace and Friendster)
- approximately 60M blogs; 100,000 new blogs are added daily
- legitimacy of online profiles is deemed suspect; half of public websites set up by "teenagers" on MySpace are actually marketers or questionable individuals

e-mail is not the only way to communicate

- Americans sent nearly 65B text messages via cell phones in the first half of 2006 (almost twice the amount from same period in 2005); 74M messages are being sent every day in the United Kingdom

viral videos are a new phenomenon sweeping the net

YouTube is the epicenter for sharing videos

- over 40M videos are watched daily on YouTube alone; some videos have become international successes viewed and shared thousands and/or millions of times (e.g., Evolution of Dance)
- businesses (e.g., television and movie networks) are increasingly turning to video-sharing websites to promote products
- law enforcement organizations are posting videos to assist investigations (e.g., solicit tips from the public)



Society



GLOBAL

Fourth estate is stressed

future of traditional print and television news media is under debate

experiencing declining circulation and viewership

- newspapers' circulation suffered under widespread personal TV ownership in 1960s and 1970s and are suffering now due to use of computers and the Internet
- newspaper circulation is falling in United States, Western Europe, Latin America, Australia and New Zealand

newspapers are cutting costs and spending less on journalism

- number of people employed by newspapers is declining
- expected that in the future high quality journalism will be supported by non-profit organizations; number of organizations are already operating in this fashion (e.g., Christian Science Monitor and Nation Public Radio)

traditional media is undergoing a transition

politics and international affairs are allotted less space/time

- entertainment and lifestyle issues are receiving more attention

traditional media (e.g., newspapers) is predicted to give way to new media

- consumption of online news media is increasing
- people 18-34 years of age are increasingly turning to the Internet for news
- people are getting information from the Internet, blogs, PDAs, text messages, etc.
- citizen journalists and bloggers are encroaching on role held by journalists

Philip Meyer, in "the Vanishing Newspaper", predicts that by 2043 newspapers will die in America.



Society



CANADA

Poverty levels debated

no consensus exists on how to capture, define poverty

different tools used by governments, NGOs

Statistics Canada, arguing that there is no accepted definition, nationally or internationally, of who is poor, relies on LICO (low-income cut-off)

- estimated that 15.5% of Canadians were below the low-income cut-off in 2004

HRSDC relies on the Market Basket Measure

- incidence of low income among families with children is estimated at 15.4%

NGOs report widely different stories

- National Council on Welfare reports poor are getting poorer with deteriorating situation for welfare recipients; National Anti-poverty Organization reports continuation of deep and persistent poverty with total number of poor increasing from 4.39M to 4.9M from 1990-2003
- Fraser Institute reports poverty level nationally was at an all-time low in 2006; significant declines in child poverty and overall poverty since 1996

regardless of the data, Canadians are concerned about poverty levels

- Environics Research Poll (November 2006) found 76% of Canadians believe that the gap between rich and poor is growing; up from 68% in 1990
- 76% worry that the growing gap will lead to more crime

poverty is increasingly concentrated in pockets within large cities

higher housing costs are displacing/diverting people from urban core

- moving to least desirable and overstretched neighbourhoods (e.g., post-war inner suburbs) with few community services, poor public transit; further exacerbates poverty situation

since 1980, the depth of poverty is increasing in some cities

- Toronto had 120 higher poor neighbourhoods in 2001; compared to 30 such neighbourhoods in 1981

particular sub-populations have been disproportionately impacted by poverty

- immigrant, working class and Aboriginal People are most affected
- in 2001, Aboriginal People represented 11.7% of population in low-income neighbourhoods; recent immigrants comprised 9.7%
- associations between low-income and minority concentrations are strongest for Aboriginal People, blacks and Latin Americans



Society



CANADA

Homelessness is on the rise

increasing numbers of individuals are experiencing homelessness

approximately 150,000 homeless persons are living in shelters; an additional 15,000 reportedly are living on the streets

various city statistics show rising numbers of homeless individuals

- Vancouver's homeless numbers increased from 1,121 in 2002 to 2,174 in 2005; Edmonton from 2,192 in 2004 to 2,618 in 2006; Calgary from 2,597 in 2004 to 3,436 in 2006

some sub-populations are more affected/represented in homeless population

Aboriginal People form a disproportionate share of homeless population in all major cities

persons discharged from institutions (e.g., mental health and corrections), immigrants, working poor, people with mental illness, disabilities and addictions are over-represented

- 30-40% of homeless persons have a mental illness

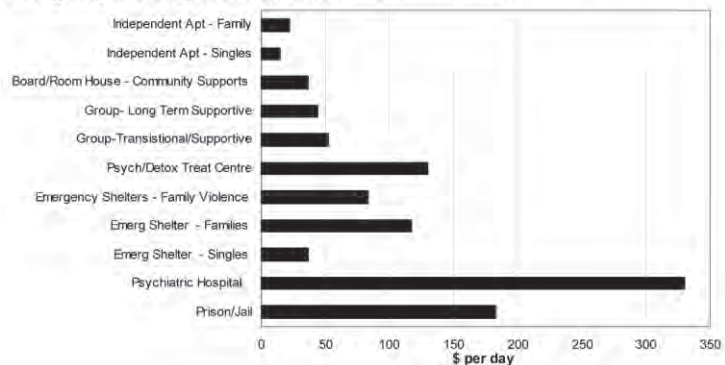
homeless youth are a growing concern

estimated 65,000 homeless youth across Canada

- youth make up 21% of Toronto's shelter clients; average age is dropping to include more 16 year olds
- GLBT (gay, lesbian, bisexual, trans-gendered) youth are over-represented among homeless youth population along with those who have been involved with the child welfare system

street youth are more likely to be assaulted (45.7%) than non-homeless (6.3%)

Comparative Costs of Responses to Homelessness: Existing Institutional Emergency and Supportive Options (averaged across 4 cities)



Source: National Secretariat on Homelessness, *The Cost of Homelessness: Analysis of Alternate Responses in Four Canadian Cities, 2006*

The booming Alberta economy, combined with low vacancy rates and the lack of affordable housing has created a whole new class of homeless individuals – the working poor.

Susan McGee, Executive Director, Edmonton Joint Planning Committee on Housing, November 8, 2006



Society



CANADA

Education is critical, but costly

Canadians are better educated than ever

leading the world in post-secondary education levels

- 28% of population aged 25-35 years have university education; over 60% of this age group have attended a post-secondary institution

rural Canadians are falling behind in educational outcomes

reportedly, of all OECD countries Canada has worst rural-urban gap with respect to levels of education

achievement and attainment levels are lower in rural areas

- rural students have fallen behind urban students in math, reading and science; similar situation in all provinces
- proportion of people 25-34 years of age who have some post-secondary education is slightly higher than 60% in urban areas and just under 50% in rural areas

high school drop-out rates are higher in these areas

- drop-out rates are nearly twice as high as urban rates (16.4 and 9.2% respectively)

higher benchmark for gainful employment

between 2004 and 2008, two-thirds of new jobs will require post-secondary education

- most management positions will also require this level of education
- significant earning differences exist between people with university degrees and those with college and trade school diplomas; differences are also seen across university disciplines (i.e., engineering vs fine arts)
- education impacts wages, but also employment patterns, work environment and benefit packages, etc.

high tuition poses challenges

average cost of an undergraduate university degree has tripled in last 15 years

- steeper increases for professional programs – law (180%), dentistry (260%) and medicine (327%)
- average college student tuition is over \$2,000

RELIGION IN CANADA

Canada is an increasingly secular country. Based on the religiosity index (i.e., affiliation, attendance, personal practices and importance of religion) Statistics Canada reports that 29% of Canadians are highly religious while 40% have low degree of religiosity. Approximately 41% of immigrants who arrived between 1982-2001 had a high degree of religiosity compared to 26% of people born in Canada.

A Gallup Poll found that, while over 60% of Canadians believe in God, less than 20% say that religion is very important to them. In addition, fewer people attend regular religious services than in the past with a growing number who prefer to engage in religious practices in their homes (e.g., prayer). Immigrants are more likely to engage in both private and public services than native-born Canadians.



Society



CANADA

Shifting patterns of substance use

increasing alcohol and drug consumption/abuse levels

79.3% of population consumed alcohol in 2004; 7% higher than in 1994

- consumption has been linked to motor vehicle accidents, FASD, family problems, crime and violence

heavy drinking (i.e., four or five plus drinks at a time) is a growing concern

- 6.2% of Canadians engage in heavy drinking once a week; 25.5% once a month
- heavy drinking is more common among young people; over 30% of young people (15-19 years of age) reported heavy monthly alcohol use in 2005
- increasing rates of drug use since 1989

45% of Canadians reported in 2004 that they used drugs at some point during their life; up from 28.5% in 1994

recently, law enforcement officials from around the country have identified problematic consumption levels of methamphetamine, cocaine and marihuana

marihuana remains the most consumed illicit drug

- almost 70% of young adults have tried marihuana at least once
- almost 14% of Canadians used cannabis in 2004; 30% of youth aged 15-17 and 47% of those aged 18-19; 18.1% of all users in 2004 used the drug daily
- higher rates of cannabis use over lifetime, with 44.5% in 2004 compared to 23.2% in 1989; lifetime cannabis use increases with education and levels of income

increases were also witnessed in the use of cocaine, LSD and other illicit drugs between 1989 and 2004

- lifetime use of cocaine rose from 3.5% to 10.6%; LSD/speed/heroin increased from 4.1% to 13.2%
- usage of injectable drugs has more than doubled

FETAL ALCOHOL SPECTRUM DISORDER (FASD)

It is estimated that the rate of FASD in Canada is 9 in every 1,000 births; approximately 280,000 Canadians are currently thought to be affected. Studies indicate that Aboriginal People are disproportionately represented in this population.

Misdiagnosis appears to be a problem with many people, particularly students, diagnosed with Attention Deficit Hyperactivity Disorder, Attention Deficit Disorder, Oppositional Defiant Disorder, Reactive Attachment Disorder, etc.

Misdiagnosis means that people with FASD are not receiving the type and number of interventions they require to be healthy and contributing members of society.



Society



CANADA

Shifting patterns of substance use...

significant and increasing abuse of prescription drugs (e.g., Oxycontin, Vicodin, morphine) and crystal meth

prescription drugs are replacing heroin as number one opiate in 5 of 7 major Canadian cities

Oxycontin is a popular street drug; consumption rates have been increasing

- problem appears most prevalent in the Atlantic provinces

high rates have also been seen in communities and areas where individuals face significant social and economic issues (e.g., unemployment with few job opportunities)

- problematic abuse of Codeine – overtaking Oxycontin – is taking place in Newfoundland
- government established a task force in 2004 to explore how Oxycontin had become such a large problem

abuse of crystal meth increasing in many areas (i.e., Atlantic provinces)

- number of meth labs reportedly tripling in Alberta and British Columbia

smoking may signal troubling/problematic habits among young people

Canadian Centre on Substance Abuse study found strong correlation between use of tobacco and other drugs

- estimated 18% of youth aged 15-19 years were current smokers in 2005
- young smokers are much more likely to abuse alcohol and use illegal drugs; however, there is no evidence that one habit leads to the other
- study found that almost all people aged 15-19 who smoked cigarettes in the previous year also consumed alcohol (97.7%) and used cannabis (91%)

31% of youth under 20 who smoke have reported using illicit drugs

- also self-reporting the use of cocaine, heroin, amphetamine, ecstasy or hallucinogens in past year
- only 3.5% of non-smoking youth report taking illicit drugs

60% of younger smokers also have problematic alcohol drinking patterns

- comparatively, 23.7% of non-smokers of the same age bracket exhibit this type of behaviour

Percentage of Canadians who report using illicit drugs at least once in their life

Cannabis – 44.5%	Ecstasy – 4.1%
Cocaine – 10.6%	Heroin – <1 %
Amphetamines – 6.4%	

Source: Canadian Centre on Substance Abuse, "Canadian Addiction Survey: Prevalence of Use and Related Harms", March 2005



Challenges for Aboriginal People

continuing disparities exist between Aboriginal People and the general population

UN Human Development Index has compared the standard of living of the Aboriginal population with that of Brazil

socio-economic conditions of Aboriginal People have not significantly improved in past 40 years

- Aboriginal People living off reserves have higher unemployment rates and lower levels of education than Canadian population; gap is even wider for those living on reserves
- one-fifth of on-reserve households experience inadequate housing and affordability issues; overcrowding among First Nations families is double the rate of all Canadian families
- despite recent progress, Aboriginal People are still three times less likely to hold a university degree compared to the general population
- Campaign 2000 report (November 2006) highlights that Aboriginal children reportedly face the greatest levels of poverty of all children in the country; one in four children in First Nations communities lives in poverty

Aboriginal population is facing significant health issues

- more likely than other Canadians to have hearing, sight and speech disabilities; rate of disabilities among First Nations children is almost double that of all Canadian children
- compared to the general Canadian population: heart disease is 1.5 times higher; Type 2 diabetes is 3 to 5 times higher; TB infection rates are 8 to 10 times higher; HIV infection rates 2.8 times higher than among non-Aboriginal persons

I knew I was on the reserve because I'd also run out of pavement. This was the pattern wherever I travelled and I began to see the lack of pavement as a metaphor for neglect.

Source: Marie Wadden, Atkinson Fellow, "Where tragedy falls off Canada's Map", Toronto Star, Atkinson Series, November 18, 2006

suicide is seen as one of most important issues facing the Aboriginal community

- estimated that suicide rate, across all age groups is three times higher than non-Aboriginal population; adolescent and young adults are at highest risk
- Canadian Institute for Health Information's most recent statistics (2000) reveal that 126 out of every 100,000 First Nations people have committed suicide, compared with 24 per 100,000 for non-Aboriginal population

Well-being certainly improved in First Nations between 1991 and 2001 and they did move toward equality with other Canadian communities. However, while there is nothing to suggest that First Nations will not continue to improve, the decline in progress relative to other Canadian communities between 1996 and 2001 suggests that the well-being gap may persist.

Source: Eric O'Sullivan and Mindy McHardy, "The Community Well-being (CWB) Index: Disparity in Well-being Between First Nations and Other Canadian Communities Over Time", Strategic Research and Analysis Directorate, INAC, October 25, 2004



Society



CANADA

Violence close to home

spousal violence statistics have remained unchanged since 1999

estimated 7% of women and 6% of men in a current or previous relationship were victims of spousal violence between 1999 and 2005

- people aged 15-24 years are more than twice as likely to be victims of spousal abuse
- other risk factors include: relationships three years or less, separation, common-law unions
- spousal violence rates are higher in the territories than in the provinces; women in the North are more likely to report incidents
- reports over the last ten years suggest that spousal abuse usually does not involve a weapon

Aboriginal People were three times more likely to be victims of spousal violence

- more likely to report they were beaten, choked, threatened with a knife or sexually assaulted

women are still more likely to experience more serious forms of spousal violence

women are five times more likely than men to experience most severe forms of violence

- 23% report being beaten, choked or threatened by a gun or knife; 15% of men report similar incidents
- almost half of female victims indicated that they suffered injury because of violence

youth are affected by violence in home

children and youth under 18 years are at greatest risk of being physically or sexually assaulted by someone they know

- girls experience higher rates of family violence than boys (242 versus 152 victims per 100,000 population)
- 119 per 100,000 children and youth are physically or sexually assaulted by a parent
- rates of major injury are highest among infants and 1 year olds



Economy

The global economy continues to grow with the economic growth of emerging economies outpacing that of the rest of the world. Long-standing economic leaders may be eclipsed by China and India in the coming decades. Trends in oil prices, supply and demand, and the coming peak in production are underscoring the importance of energy security.

Alberta continues to drive the national economy due to abundant natural resource revenues and the development of the oil sands. This success, although not without its drawbacks, has the potential to fundamentally shift wealth and power to Western Canada. Economic growth is felt unevenly in the rest of Canada.





Economy



GLOBAL

Strong global economy

global economy is expected to continue to grow, but at a slower pace

slowing housing markets in developed countries (e.g., US) and high savings in oil-exporting countries are among the key factors contributing to slowdown

- global gross domestic product (GDP) grew by 3.9% in 2006, up from 3.5% in 2005
- GDP growth of 3.2% predicted for 2007 and 3.5% in 2008

Western economies are still dominant

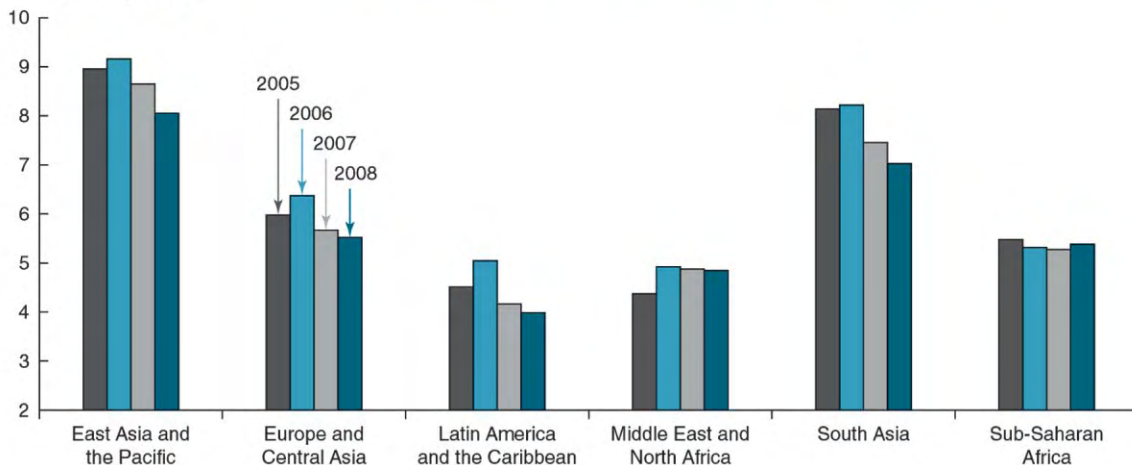
US and European economies hold dominant position in absolute terms, but growth is slowing

- in 2005, the US and the Euro economic zone produced over 50% of global real GDP; in comparison East and South Asian economies produced under 10% of global real GDP
- World Economic Forum identified Switzerland, Finland and Sweden as world's most competitive economies in 2006; US drops from first to sixth in latest rankings

economies grew by 3.1% in 2006, but projected to slow to 2.4% in 2007 and rise slightly in 2008 to 2.8%

Growth, though tapering off, will likely remain solid over the medium term

Percent change in GDP



Source: World Bank.

Source: World Bank, Global Economic Prospects 2007



Economy



GLOBAL

Strong global economy...

sharp decline in economic growth is not expected, but possible

several economic factors could contribute to a hard economic landing

- stronger than expected cooling of US housing market could result in a recession; situation would hurt developing economies
- significant loss in confidence in US dollar (USD) could spark high devaluation, much higher US interest rates and financial market turmoil
- monetary policies in developing countries aimed at slowing growth to sustainable levels could fail leading to higher inflation

non-economic events also have the potential to produce a decline in economic growth

- natural disasters and/or epidemics – e.g., severe human-to-human avian flu pandemic could reduce global GDP by 3.1% (USD\$1.25- \$2T)
- security threats (e.g., terrorism and war) generate economic damage and uncertainty, and require significant levels of public funds, e.g., terrorist attacks on New York City cost an estimated USD\$150B

REAL GDP VS. PURCHASING POWER PARITY GDP

GDP is often cited as “real GDP” or GDP based on purchasing power parity (PPP). Real GDP is measured on an exchange rate basis and is predominantly cited in US dollars. On the other hand, PPP is a method used to measure the worth of different currencies on their relative ability to buy a common set of goods rather than their exchange value on the world market.

COSTS OF AN INFLUENZA PANDEMIC

Based on evidence from previous pandemics (e.g., Spanish Flu in 1918 and Asian Flu in 1957), researchers have estimated the economic consequences of a mild to ultra-severe influenza pandemic in 2006. In a scenario that explored the outcomes of a mild outbreak, 1.4M people would die and the world GDP would drop by 0.8% (USD\$330B). In the case of an ultra-severe pandemic, an estimated 142M people would die and GDP could be expected to drop by 10.7% (USD\$4.4T). In any scenario, the economic repercussions would include a decline in the labour force, an increase in business expenses (eventually borne by consumers), and a shift in consumer and investor preferences to less effected countries and sectors. It is expected that, while still at risk, the West would weather the economic slowdown relatively well, but the rest of the world could see a much more severe economic downturn.

Source: McKibbin & Sidorenko, “Global Macroeconomic Consequences of Pandemic Influenza”, Lowly Institute for International Policy, February 2006



Economy



GLOBAL

United States economy is straining

global economic powerhouse

world's largest economy by far despite growth rates below the world average in recent years

- highest real GDP, valued at over \$12T, nearly three times larger than 2nd place Japan
- based on purchasing power parity (PPP), US exceeds 2nd place China in GDP by over USD\$3.8T

economic growth slowed in second half of 2006, which is expected to continue into 2007

- real GDP growth to decelerate from 3.4% in 2006 to 2.9% in 2007
- key factor has been negative effect from decline in residential investment; in 2005 it accounted for 0.5% of GDP growth and by third quarter of 2006 it reduced GDP growth by 1.1%

loss of economic clout is a growing concern

Americans are increasingly skeptical of foreign ownership of large US corporations

- significant fears of losing technological and resource assets to foreigners / foreign states
- negative reaction to Chinese purchase of IBM and planned purchase of Unocal is indicative of this skepticism
- the value of foreign-owned assets in the US exceeded the value of US-owned assets by approximately USD\$2.7B

outsourcing is viewed negatively

- over 70% of Americans in 2006 felt that outsourcing is bad for the economy
- creating jobs that will stay in the US was one of the Democratic Party's commitments in the run up to its 2006 congressional election victories

domestic indicators for 2006 suggest that the US economy is at risk

- national debt of USD \$8.68T at the end of year
- interest payments on debt represented 8.2% of government spending and grew 19.7% over 2005
- estimated deficit of USD \$260B, projected accumulated deficits of \$1.76T for 2007 through 2016
- current account deficit grew to USD\$225.6B up to the fourth quarter of 2006; up from \$75B in 1999
- value of US imports exceeded value of exports by USD\$866B

CORPORATE MALFEASANCE

Options backdating is the practice of granting employees stock options at a price the stock was valued at in the past. The past date is typically cherry picked so that the present market value of the stock is higher than the actual price paid for the stock, thereby producing a predictable profit for the employee. Backdating is not illegal if proper disclosures are made and no documents are forged; however, executives are increasingly not meeting these standards.

As of November 2006, two companies have been formally charged in the US while over 100 others are known to be under investigation. There are reports that boards have proactively dismissed or "resigned" approximately 50 executives. Although much of the attention has been focused on executives, research shows that an estimated 1,400 non-executive directors also benefited from options backdating between 1996 to 2005.



Economy



GLOBAL

Emerging economies gaining ground

emerging economies are growing faster than advanced economies

due to low interest rates and ample global liquidity (i.e., ready and willing buyers and sellers)

- real GDP grew by 7.3% in 2006 (3.1% in advanced economies) and accounted for 38% of the global GDP increase – growth projected to remain high in 2007 at 7.2%

estimates suggest emerging economies produce, or are very close to producing, over half of global GDP (PPP)

- International Monetary Fund (IMF) estimates 48.6% for 2006; steady climb from 45% in 2003; projected to be 49.4% in 2007 – trend suggests the threshold should be crossed in 2008
- using a different economic model, the Economist reported that the 50% threshold was surpassed in 2005

demographically poised to drive global economy in future

- middle class – currently below 10% – projected to increase to 16.1% of global population by 2030
- emerging middle class will seek the same standard of living enjoyed in advanced economies, driving up demand for goods and services and increasing pressure for greater economic integration

emerging economies are investing abroad

India and China, already major destinations of foreign direct investment (FDI), are themselves increasingly investing in foreign markets

- in first three-quarters of 2006 India made 115 foreign acquisitions worth \$7.4B
- Chinese FDI is part of government economic strategy; FDI increased from \$2.49B in 1990 to \$44.8B in 2004

Access to an abundance of cheap labour, potential for significant growth, and the availability of highly skilled workers make emerging economies attractive places for Canadian businesses to invest and establish operations. However, as linkages increase between Canada and these countries, there may be growth in criminal activity across borders and in Canada:

- movement of counterfeit goods, drug trafficking and human smuggling;
- greater uptake of technology will provide the means for criminal groups to expand into other criminal activities (e.g., identity theft) and to evade law-enforcement (e.g., encrypted communication);
- industrial espionage as more people will be traveling to and from Canada for business purposes and there will be an increasing number of executives/highly-skilled workers in Canada for extended periods of time; and
- increased dealings with corrupt officials and organized criminals who often control legitimate enterprises in economies undergoing transition.



Economy



GLOBAL

China rising

economy will continue to grow at high rate

the Chinese economy grew 10.4% in 2006 compared to 3.9% globally

- growth expected to slow to 9.6% in 2007 as measures to restrain investment and credit growth take root
- in 2006, estimated value of GDP was \$10.5T; 16.1% of global GDP value (14% in 2003)
- expected to sustain year-to-year GDP growth of over 8%

seen by many as the looming economic rival to the United States

- anticipated to surpass United States and European Union GDPs by 2020

growing economic power

economic indicators and influence exemplify growing presence in the global economy

- share of world exports has tripled in last decade; value of exported goods grew by 35% in 2004 and 28% in 2005
- third largest recipient of FDI; seen as global leader in FDI confidence
- strong influence on commodity prices as largest consumer of coal and many base metals; second largest oil consumer behind the US

growing pains exist

economic growth is felt unevenly across the country; rural areas lagging

- the gap between rich and poor is among the largest in the world; now more unequal than situations in US and Russia

Chinese-based firms are experiencing high-skilled labour shortages and high human resources (HR) costs

- the main shortages are in management skills and aptitude for creativity and risk-taking
- compared to 2% inflation, salaries of mid- and upper-level managers are growing at 6% to 10% each year

state is increasingly relinquishing control of the economy

approximately one-third of enterprises are state-controlled; in 1978 virtually all enterprises were state-owned

ESPIONAGE 101

There are numerous methods to collect clandestine information (e.g., use of specialized knowledge and cutting-edge technology, briefcase tampering and garbage retrieval). However, CSIS claims that the most frequently used method is to recruit someone who has access to the information (e.g., employees, consultants, etc.).

MONETARY MANIPULATION?

US manufacturers claim that, by fixing the value of its currency, China is unfairly subsidizing its exports giving it a comparative advantage in the global market. As such, the US is pushing China to allow the Yuan to appreciate to its *real* market value with some calling for penalties to be levied on Chinese imports. For its part, China claims the Yuan has appreciated by approximately 6% since mid-2005.



Economy



GLOBAL

India is coming on strong

experiencing strong economic growth

the economy grew 8.3% in 2006

- in 2006, estimated value of GDP \$3.9T (at PPP); 6% share of global GDP value (5.6% in 2003)

manufacturing sectors led the way

- manufacturing sector grew by 11.3% in first quarter of 2006
- exceptional growth witnessed in specific industries – e.g., commercial vehicles (36%), telephone connections (49%), and commercial flight passengers (32%)

however, the IMF and World Bank (WB) estimate a one percentage point decrease in GDP growth in 2007

- decrease due to implementation of monetary policies aimed at slowing the economy (e.g., raising interest rates)

knowledge-based economy is key to continuing growth

global player in innovation and business process outsourcing

- Indian firms control 2/3 of global IT services
- high tech companies such as Motorola, Cisco and HP rely on Indian expertise to drive/sustain innovation
- domestic companies specializing in microchip design, software and pharmaceuticals

top destination for FDI as companies establish themselves in India

- 44% of top Fortune 100 companies have a presence in the country

however, economy showing signs of overheating

- inflation nearly doubled in 2006
- main financial market index rose 50% in 2006 and 200% over past 3 years
- relative to a current-account surplus in 2003, domestic demand and wage inflation led to substantial current account deficit in 2006

Economic rivals India and China engage in considerable levels of trade annually. In 2006, two-way trade was estimated at USD\$20B in 2006; up from \$1.5B in 1998-99. India currently holds the surplus in this relationship.

We came to India for the costs, we stayed for the quality, and we're now investing for the innovation.

Source: Dan Scheinman, Senior VP Cisco Systems, Business Week, August 2005



Economy



GLOBAL

Energy supply is tightening

global demand continues to push oil prices higher

the gap between oil production and consumption is declining

- average global supply exceeded demand by 550K barrels/day in 2004, 540K in 2005, and 350K by fourth quarter of 2006
- rising demand relative to supply widely believed to be the reason that the price of oil has risen sharply (i.e., average price of USD\$24/barrel in 2002 up to over \$60/barrel in 2006)

the developed world is the biggest energy consumer, but developing countries are catching up

critical point is looming

critical point will be reached when oil production peaks

- peak oil production is expected in 2037, but may come as early as 2026 depending on actual supply of oil
- in the absence of viable alternatives, it is widely held that after production peak oil prices would surge, and quality of living would diminish as a consequence, particularly in oil-dependent economies
- per capita, the US uses 13 times more energy than China
- developing countries are expected to represent 70% of growth in demand for energy by 2030
- China has accounted for 40% of the increase in global oil demand over the last 4 years; while considering buying parts of oil companies in the West, China is also seeking access to reserves in numerous countries/regions (e.g., Iran, Venezuela, Africa and Canada)

The relatively small gap between the supply and demand for oil, combined with the inability to quickly increase production, means that a shock to the oil supply could cause a serious disruption to the world economy. The World Bank estimates that a 2M barrels/day disruption would reduce global GDP by 1.5%. In addition to a physical attack on infrastructure, other events such as a major natural disaster or a significant war in an oil producing region could precipitate a shock to the oil supply.

Shaped by what would be going on in the world around it, for Canada, the implications of an unforeseen severe and prolonged disruption could likely be:

- increased demand for Canada to produce and supply more oil – leading to increased economic growth, employment and environmental degradation;
- increased competition for Canadian oil – the US and China would likely intensify their current efforts and other players like the European Union and emerging economies would also compete;
- the possibility that Canada's sovereignty over its oil supplies will be threatened by countries in a position to leverage military and/or economic superiority; and,
- oil infrastructure becoming a more attractive target for terrorists given the likely rise in American dependence on Canadian oil.



Economy



GLOBAL

International trade is moving forward

trade is growing, global balance is shifting

China, Japan and United States led trade growth in 2006; emerging economies are playing a larger role

- global trade was up by 11% in first 8 months of 2006, up from 6% in 2005
- Japan, US and China export volumes increased by 10%, 13% and 30% respectively
- the value of Chinese exports exceeded those of the US for the first time

developing countries are expected to have 45% share of world trade by 2030

world trade talks are in jeopardy

Doha round of World Trade Organization (WTO) negotiations have been suspended; while not officially closed, major obstacles to restarting talks remain

- major disagreement amongst Western countries and between the West and developing countries on agricultural subsidies and tariffs
- 2007 will see the sunset of Bush's trade negotiation authority; new Congress may not agree to extend this authority

regional trade agreements (RTA) becoming more important

RTAs are increasingly viewed as a strategic economic tool, especially after Doha setback

- trade among RTA partners represents 40% of all trade
- US signed or is negotiating 25 RTAs; US wields considerable trade power through RTAs despite Doha
- of 211 RTAs registered with World Trade Organization (WTO) and in force, over half were signed after 1999

RTAs are making trade more complicated and are threatening multilateral arrangements

- differing trade principles are leading to inconsistencies between RTAs and global agreements
- preferential treatment under RTA is undermining international trading principles that a country must treat all its trading partners equally

At the moment, it is virtually impossible to be other than pessimistic about the [Doha] round and therefore about the WTO.

Source: Peter Sutherland, Chairman of British Petroleum and Goldman Sachs; International Herald Tribune



Economy



GLOBAL

Trouble in the auto sector

auto sales in North America, Europe and Japan are expected to soften in 2007

auto makers are facing a number of challenges

- high costs for raw material, unfavourable foreign exchange rates
- 2007 will continue to see auto makers restructure, improve efficiencies and relocate production facilities to developing countries

competition for market share will intensify

- after several decades as the top automaker, General Motors will lose this distinction to Toyota in 2007

North American auto industry is heading towards a crisis

General Motors, Ford and DaimlerChrysler have all lost market share in 2006 to Asian and European auto makers

- all three are cutting production in first quarter of 2007
- North American market share of domestic producers has declined by almost 20% since 1996 resulting in plant closures and layoffs
- foreign-made automobiles account for one of every four (4M in 2005) vehicles sold in North America; North American exports are declining

sales fell in 2006 and are expected to decline again in 2007

- General Motors – world’s largest carmaker – lost USD\$10B in 2005; situation slightly improved with car maker able to turn a profit during first half of 2006
- Ford – world’s third-largest carmaker – to cut \$5B in costs by 2008; plants will not be profitable before 2009; lost USD\$1.3B in first half of 2006

workers have been significantly impacted

- Ford announced in mid-2006 it would cut salaried staff by one-third (14,000); 75,000 workers in the US have been offered redundancy packages
- General Motors has persuaded a third of its workforce (35,000) to accept severance payments

Chinese auto sector is driving international sales

strategically crucial market for most global car makers; the Chinese market is growing by 25% each year with growth expected to continue

the home-grown sector is increasing its market share

- Chinese companies owned over 25% of the domestic market in 2006; market share is divided among 20 different companies
- Chinese cars are small and cheaper than multinational brands (e.g., Chery QQ sells for approximately USD\$4,000)



Economy



CANADA

Strong national economy

Canada is home to a robust economy

favourable economic forecasts through 2008

- government policy (i.e., macroeconomic), rising global energy and commodity prices, and high domestic disposable incomes contributing to economic success

the economy has been gaining momentum for the past several years

- 2.9% increase in growth in 2005 followed by a slight decrease – 2.7% – in 2006
- growth in 2006 started strong, but finished weak

predictions of a growth rate between 2.7% and 3% for 2007; 3.2% growth in 2008

- Canada is in a better position than any other G7 country

several risks to economic growth exist

the housing sector shows signs of slowing down

- residential investment fell in 2006; activity is expected to level off during the second half of 2007

repercussions of “sharper-than-expected” slowdown in the US economy

- weakening US demand for Canadian exports
- fears of increased protectionism

tight labour market

- some professions and regions experiencing labour shortages

uneven growth has been experienced across the country

Alberta, British Columbia and Newfoundland, respectively, are leading the country in economic growth and are expected to remain in the top three positions through 2007

growth in Alberta is propping up the country

- Alberta to post a “spectacular” 6.3% to 7% increase in real GDP growth in 2006; double the national average
- expected to post a 4.5% growth rate in 2007

British Columbia is contributing to economic success of Western Canada and the country as a whole

- expected to register 4% growth in 2006
- preparations for and hosting of the 2010 Olympic and Paralympic Winter Games are expected to benefit economy for several years (e.g., construction, gas explorations are now online)

ECONOMIC FACTORS OF CRIME

Conventional thinking holds that economic growth and prosperity reduces criminal activity and that increases in criminality can be expected in times of economic downturn. However, these links have been an area of research and debate among sociologists and criminologists for decades and findings are not conclusive one way or the other.

Much of the research has often been focused on two areas – short-term economic factors (e.g., correlating crime rates to periods of unemployment) or long-term economic factors (e.g., linking criminal behaviour with socialization in low income neighbourhoods/families). However, in either case, the body of evidence is inconclusive.



Economy



CANADA

Strong national economy...

the economy of Newfoundland and Labrador is growing, but facing a number of challenges

- 4% increase in GDP in 2006 (up from 0.4% in 2005); likely to finish behind only Alberta in growth in 2007
- technical problems at Terra Nova dampened growth and expectations for a banner year in 2006

Canada's two largest economies are performing modestly

- lukewarm growth of 1.7% to 1.8% in Quebec and Ontario

Ontario currently has the country's slowest economic growth

- the economy is facing a number of challenges: downturn in the US economy and the manufacturing sector; structural issues in several industries (e.g., pulp and paper); shifts in demand for automobiles in North America

unsurprisingly, Western cities are driving economic growth

home to four of the top five leading economies in 2006

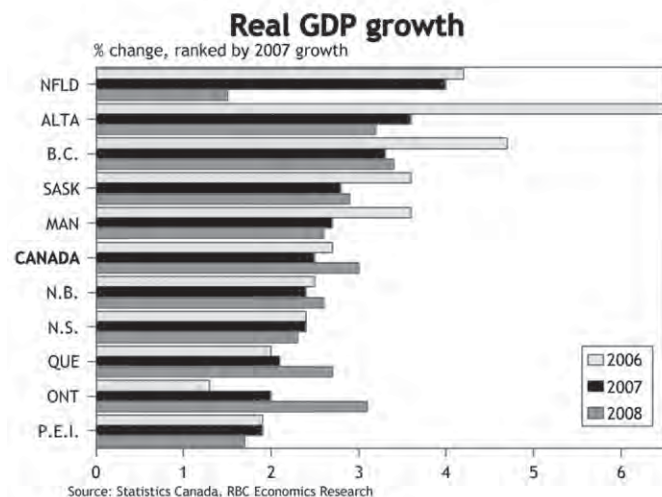
- Calgary and Edmonton are far ahead of other cities; expected to continue into 2007

foreign ownership: a big slice of the Canadian economy

although less than 1% of Canadian corporations are foreign-owned, these corporations play a big economic role

- foreign-owned corporations held 21.9% and 31.2% of all corporate assets and profits, respectively (US share 13.4% and 20.4%, respectively)
- 50.3% of assets in manufacturing industry are under foreign control; nearly 45% of oil and gas corporations are foreign-owned

Provincial growth rates



Source: Statistics Canada, RBC Economics Research



Economy



CANADA

Alberta is booming

strongest provincial economic performance ever recorded in Canada

Alberta is leading the country in almost every indicator and is the only debt-free province

- 2006 concluded with \$5.4B surplus – federal government surplus estimated at \$5.6B in 2006
- most robust per-capita GDP and per capita investment
- business growth almost four times the national average
- Edmonton-Calgary corridor is the most productive region in North America

success could fundamentally shift the balance of wealth and power to the West

- booming economy is attracting people from all over Canada and the world

economic success is due to natural resources

- Canada's oil reserves are world's second largest behind Saudi Arabia
- over one million barrels of petroleum per day are spun out of the sand – number set to triple within next decade
- oil sands will generate about 100,000 new jobs in next ten years
- 80% of the natural gas produced in Canada is from Alberta; 70% of the province's non-renewable resource revenues are from natural gas

growing pains exist

success in the oil fields is placing unprecedented strains on the economy, industry and society

- construction costs have skyrocketed
- in general, school and hospital infrastructure is strained by increased demands from newcomers to Alberta
- housing shortage is leading to high living costs (e.g., on average, a single bedroom in a shared mobile home costs approximately \$700 per month)
- teenagers and young adults are foregoing post-secondary education by lure of high wages
- severe labour shortages are driving up wages and business/project costs

Alberta's natural resource-based economic boom seems to be bucking the trend towards a more knowledge-based national economy. With Canada's fastest growing economy and population, the province is flush with jobs and high wages for both low- and high-skilled workers who are moving there from all over Canada and abroad. In contrast, the slowdown in manufacturing industries is emblematic of Ontario and Quebec's economies. For the RCMP, and law enforcement in general, the shift in economic momentum to the west may mean:

- rising disposable income providing the incentive for criminal activity (e.g., drug use and drug trafficking);
- greater urbanization may necessitate greater integration between the RCMP and municipal forces; and,
- a growing segment of the population will be marginalized because they are unable to keep up with rising prices.



Economy



CANADA

Strong employment levels

employment rates have been increasing in recent years

employment grew by 1.7% in 2006

- majority of growth taking place in the private sector; nearly four times the rate of growth in the public sector
- natural resources sector experiencing the fastest growth; 11.8% increase in 2006

Alberta is leading the pack – driving national employment growth

- employment increased by 6.2% in 2006; more than three times the national growth rate
- accounts for 40% of national growth

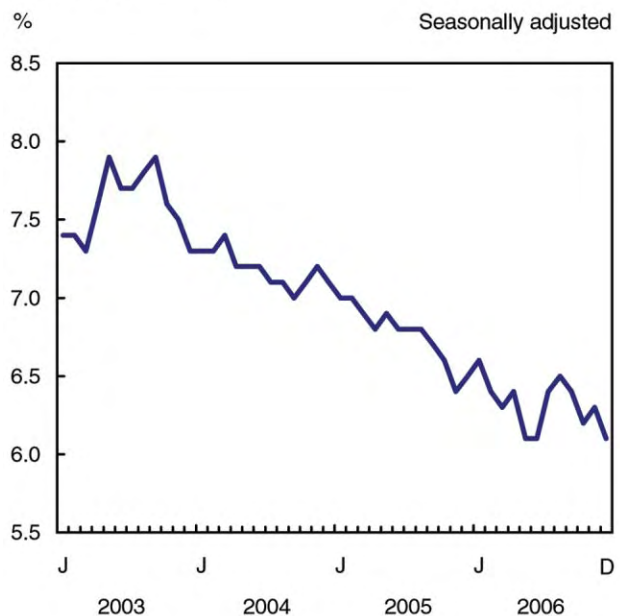
significant downward trend in unemployment rates since mid-2003

national unemployment rate hit 32-year low of 6.3% in 2006

- Alberta is home to the lowest unemployment rate estimated at just over 3%; Manitoba and British Columbia also have jobless rates below 5%
- comparatively, unemployment rates are in the double digits for Newfoundland and Prince Edward Island; Newfoundland is home to the highest national unemployment rates

predictions indicate that the national unemployment rate will rise in 2007 to 6.4%

Unemployment rate



Source: Statistics Canada, Labour Force Survey, Friday, January 5, 2007



Economy



CANADA

Manufacturing sector is slumping

there are fears that Canada is undergoing a “deindustrialization”

manufacturing sector has been on a downward slide for the past several years and is facing several difficulties:

- exchange rate (i.e., high Canadian dollar), rising energy costs, softening of US market and competition from cheap Asian labour

significant numbers of jobs have been lost, concentrated largely in central Canada

328,000 (13%) jobs were lost nationally between August 2002 and September 2006

- Statistics Canada reported that 42,000 jobs were lost in one month alone in 2006
- more plant closures and layoffs are expected

12.9% of all jobs in Canada are found in the manufacturing sector

manufacturing-based economies of Central and Atlantic Canada have been hurt the most

- Ontario has lost 100,000 manufacturing jobs since 2004; over 40,000 were lost in 2006

manufacturing, textiles, clothing and leather have been the hardest hit industries

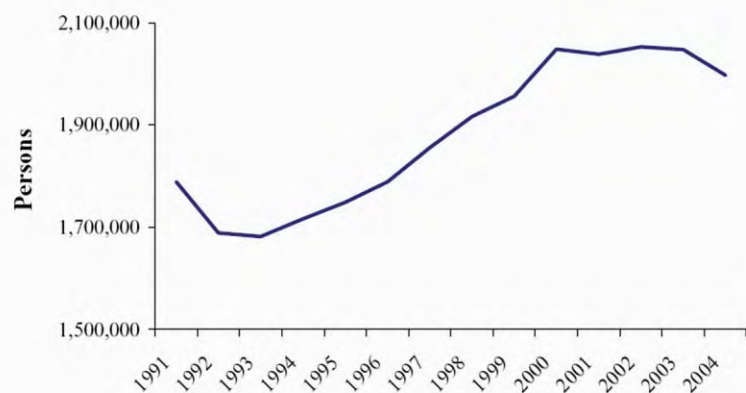
- significant losses in electrical equipment, appliances and components

job losses are impacting full-time employees with average or above-average wages

outsourcing is contributing to loss of jobs

- companies are turning to outsourcing for lower cost, increased productivity and competitiveness
- no available data on number of countries outsourcing

Number of Jobs in the Manufacturing Industry



Source: “Outsourcing: Is It to Blame for Lost Jobs?”, Library of Parliament, Economics Division, February 21, 2006



Economy



CANADA

Trade reliant

trade surplus is shrinking

despite recoveries from previous lows in 2002 and 2003, the dollar value of the trade surplus continues on a long-term downward trend

- \$64.8B surplus in 2005, down from \$70.7B in 2001; exports valued at \$453B compared to \$388B in imports in 2005
- downturn in US economy and relatively high CDN to US dollar driving down trade surplus

export performance is expected to continue to slow down in early 2007 as world economy cools off

- however, some export industries continue to post impressive growth, most notably metals and energy

United States remains the most important trading partner

approximately 80% of all Canadian exports were destined for the US in 2005; 67% of all imports came from the US

relationship is reciprocal – the US also relies heavily on trade with Canada

- almost 20% of US trade occurs with Canada
- Canada is the largest supplier of energy in the form of oil and oil products, natural gas and electricity to the United States
- in 2004, United States exports of goods and services to Canada exceeded combined exports to Mexico and Japan (i.e., second and third largest US export markets)

Canada is seeking to increase trade levels with emerging markets

governments are investing in programs to support increased trade with Asia

- in 2006, British Columbia's government committed \$3B to Asia-Pacific Gateway Initiative; federal government committed \$591M

trade with China is rising

- overall value of trade with China has grown from \$16.7B in 2001 to \$36B in 2005
- however, trade imbalances with China are also increasing; in 2005 imports from China exceeded exports to China by \$22.9B – in 2001 the difference was \$8.7B

In Canada, we depend on international trade to grow and prosper. More than 30 cents out of every dollar earned in Canada today is earned through international trade. This has always been the case, and always will be. The reason is simple – we are a very small economy. What that means is that our companies cannot achieve an efficient scale by serving the domestic market alone.

Source: Stephen Poloz, Chief Economist, Export Development Canada, 2005



Economy



CANADA

Resource intensive

resource industry – key factor in the economy

resources account for a sizeable portion of the economy

- in 2005, natural resources accounted for 13% of Canada’s GDP; second only to the financial/ insurance/real estate sector (19%)
- of the countries that comprise the Organisation for Economic Co-operation and Development, only Norway’s GDP relies more on natural resources (30%)

Canada exports far more resources than it imports

- in 2005, Canada exported \$92.8B worth of resources more than it imported; all other industries combined imported more than they exported by \$37.7B

resources attracting investment

strength of the resource sector is drawing foreign direct investment

- major Canadian resource firms like Falconbridge, Inco, Domtar and Placer Dome have been bought by foreign companies
- Chinese state-owned enterprises have made \$200M worth of investments in Alberta’s oil sands

Canadian financial markets are increasingly resource-centric

- in 2000, natural resource-related equities accounted for 18% of all equities in the Standard & Poor’s Toronto Stock Exchange index; in 2006 the figure was 44%

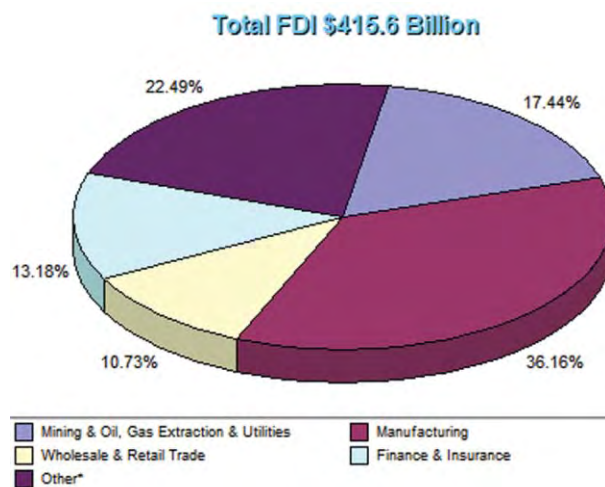
energy exports are high but are expected to decrease

strong demand led to record high prices in 2006; export earnings grew 11% to \$94.7B

- overall, petroleum and natural gas comprise the vast majority of energy export value (92.4% in 2005)
- in 2006, petroleum exports increased by 22% in value to \$55.8B, mainly due to higher global prices

exports are expected to slump in 2007 with negative export growth of –2%, roughly \$1.9B

- lower expected prices will more than offset forecast increase in energy export volume



Source: Statistics Canada, International Investment Position, May 2006



Economy



CANADA

Evolving Federal fiscal policy

paradigm shift in spending and economic planning

tax measures/direct funding are preferred over programming

- e.g., the Universal Child Care Benefit is a direct cash payment to assist parents instead of a dedicated child care program
- reducing GST from 7% to 6%; cutting lowest income tax rate from 16% to 15.5%; and introducing a new Canada Employment Credit and a tax deduction for apprentices

new priority for surplus spending

- for past 15 years, surpluses were distributed across a broad range of initiatives; now surpluses will pay down net public debt; the target is \$3B debt reduction per year and \$0 by 2021
- lower net debt to reduce interest payments – savings are designed to benefit taxpayers directly by reducing personal income tax

continued focus on spending efficiency

successive governments have emphasized expenditure review; significant savings have been identified and greater efficiencies are expected

- Budget 2006 identified \$1B to be saved by cutting “wasteful programs”; additional \$1B in savings through “tighter management” measures in 2007
- in late 2006, Treasury Board made recommendations on ways to make \$26B in program spending more efficient and accountable

supporting the market place

tax cuts and market efficiencies introduced to support business competitiveness

- government is committed to ending Wheat Board monopoly – preference for open competition in grain market

- small business taxes reduced; corporate income to fall by 3% by 2010; corporate surtax and capital tax eliminated

PROTECTING TAX REVENUES

When two of Canada’s largest corporations, BCE and Telus, announced they were becoming income trusts it underscored the trend of converting corporations to income trusts and highlighted the fact that, unless a change was made, over \$1B in tax revenues could be at risk. The GOC moved quickly to protect the tax base by ending the preferential tax treatment trusts enjoyed over corporations. The GOC has also confirmed it will review the use of tax havens in which, Statistics Canada estimates, Canadians have placed \$88B.

A number of factors may affect the RCMP’s ability to maintain current levels of funding and/or secure new/additional funding:

- frequent expenditure review and reallocation exercises are likely here to stay – maintaining current funding levels will require that the organization is always prepared to justify resource levels and demonstrate results; securing new funds will require the development of persuasive, articulate arguments backed by quantitative data;
- ability to expend funding within a given timeframe – risk losing the funding; and,
- seeking funds for programs or initiatives that fall outside the government’s priorities/ election platform – this is especially the case with the current government funding identified priorities first.



Politics & Government

World powers continue to find ways to effectively co-exist. This situation is unlikely to change in the coming years, but there are a number of tipping points which could jeopardize the stability of the international system.

Change appears to be the only constant in the Canadian political system. Canadians are supportive of improved relations and being engaged internationally, but fear that this makes the country vulnerable to terrorist attacks.





Politics & Government



GLOBAL

A world unbalanced

unipolar world for 16 years and counting

the post-Cold War era continues with United States dominating in all realms of power and influence

- hyper-power, colossus, global hegemon, empire – common monikers

lack of consensus on longevity of US power and rise of rivals

some experts claim that the US is already showing signs of losing its superpower status

- e.g., militarily overstretched, influence on international stage is eroding, economic vulnerabilities, etc.

number of states/blocs (i.e., China, India, Russia, European Union) with the economic and political potential to challenge the US

China is viewed as the country most likely to challenge US supremacy

- ever-growing economic and political – regional and international – power
- however, not expected to be real challenger for many years – facing number of internal issues (i.e., poverty, infrastructure, corruption, international stature)

DEBATE ON STATUS OF INTERNATIONAL SYSTEM

There is discussion regarding the polarity of the international system. Some experts claim that the world may be moving toward a multipolar system centered on the US, China and other powerful nations.

There are also those who argue we are entering a new hyper-polar century dominated by the many and ultimately no one. Within such a world, constantly changing alliances and rivalries will be the norm.

MAJOR SHIFT IN US POLITICS

Mid-term elections in 2006 highlighted a resurgence of the Democratic Party and potentially an end to the “Republican Revolution” that has reigned for over a decade.

The Democrats officially took control of Congress on January 1, 2007 for the first time since 1994. Nancy Pelosi, a Democrat from California, broke through the “marble ceiling” to become the first woman speaker in US political history.

Democratic gains in Congress are widely viewed as a rejection of current foreign policy, the war in Iraq and domestic economic policies.

Early priorities for the Democrats include implementation of the recommendations from the 9/11 Commission Report, ethics reform, minimum wage increases, cuts to interest rates on student loans, and a roll back on subsidies for oil and gas producers.



Politics & Government



GLOBAL

Stable international system, but

war among world powers remains unlikely, but tipping points abound

number of possible and potential flashpoints around the globe

despite international efforts, the Middle East is plagued by civil war, conflict and political and economic instability

- Iraq, Palestinian Authority and Lebanon are in the midst of, or veering toward, civil war (e.g., Iraq experiencing devastating levels of terrorism and sectarian violence; escalation of violence between Hamas and Fatah)
- tense truce between Israel and Hezbollah following 34-day war; continuing tension between Israel and the Palestinian Authority
- union of Hezbollah, Iran and Syria
- growth of Islamist extremism
- indicators (e.g., economic volatility, ethnic conflict) that Middle East is likely a staging point for the world's next major conflict

resolving Israel-Palestine issue is viewed as essential to stabilizing the region

Asia is home to several [potential] problem areas

- situation in Afghanistan is looking more unstable (e.g., resurgence of Taliban; attacks on coalition troops increasing)
- tensions are rising between China and Taiwan, North Korea and South Korea, Japan

nuclear proliferation and nuclear ambitions of states are a continuing threat

North Korea has become the newest member in exclusive nuclear club

- successfully tested underground nuclear bomb; followed recent missile launches
- bomb itself had little impact – registered 4.2 on Richter scale (i.e., light earthquake)
- test was met with international condemnation, UN-backed sanctions and demands that the country dismantle nuclear-arms program
- following intense six-country negotiations, on February 13, 2007, North Korea agreed to a USD\$400M aid package in exchange for closing its main nuclear reactor

Honestly, most of the [Middle East] leaders I spoke to felt the invasion of Iraq and its aftermath has been a real disaster for them. They believe it has destabilized the region.

Koffi Annan, then UN Secretary General, September 13, 2006



Politics & Government



GLOBAL

Stable international system, but...

Iran has similar aspirations

- report in late October 2006 claimed that Iran has doubled its capacity to enrich uranium
- predictions that Iran's first weapon will be ready in 2008 or possibly earlier
- UN Security Council divided over how to handle Iran – Russia and China calling for restraint; United States, European Union advocating sanctions

responding to nuclear proliferation of either Iran or North Korea is difficult due to the vested interests of UN Security Council members

- some Council members (e.g., China, Russia) have significant interests to protect (e.g., oil, trade, aid, commercial ties)

growing fears that non- or controlled proliferation may be a thing of the past

- situation in North Korea may incite other countries in the region (i.e., South Korea, Japan) and around the world to seek nuclear capabilities

eight states are now known to have nuclear capacity

- United States, Russia, United Kingdom, France, China, India, Pakistan and North Korea have nuclear weapons
- widely held belief that Israel also has nuclear capabilities

PEACEFUL 21ST CENTURY?

The question of whether this century will be more peaceful than its predecessor garners a great deal of attention. There are those who highlight the decline in war internationally, as well as conflict prevention measures and post-conflict peace-building efforts, as indications that the new century will be more peaceful than the previous. However, others argue that the century will be as violent if not more so than the previous by pointing out that the factors that made the 20th Century the most violent in human history remain today (e.g., economic volatility, ethnic conflict) and can be readily seen in the Middle East. Others have suggested that civil and ideological and religious wars will multiply.



Politics & Government



GLOBAL

Stable international system, but...

increasing spread of terrorist threats

the 21st Century is poised to be known as the century of terrorism

- governments devoting substantial amounts of time and money to fighting terrorism – preoccupied with securing borders, fighting terrorism at home and abroad, etc.
- US committed to “long war” against terrorism; domestic politics and leadership has been consumed by these issues since 9/11

lack of international consensus on nature of, and effective responses to threats

- targets and goals continue to evolve – counterterrorism against Al Qaeda, destruction of Taliban; empowerment of the Tajiks, Hazaras and Uzbeks; tackling what has been referred to as “Islamofacism”; contain/overthrow regimes in Syria, Iran and North Korea

The shift of law enforcement focus and resources to national security may, in part at least, be at the expense of attention to other types of criminality (e.g., organized crime).

The ends cannot justify the means. In the fight against international terror... respect for human rights, tolerance and respect for other cultures must be the maxim for our actions, along with discussions and international cooperation.

German Chancellor Angela Merkel, September 11, 2006

ANTI-AMERICAN SENTIMENT

A number of surveys since 9/11 reveal strong anti-US sentiment. In 2006, public opinion polls revealed an increase in negative views of the US worldwide. Disdain and/or fear of the power and domination of the US have been contributing factors, but the US-led war on terrorism (and the situation in Iraq in particular) has only served to intensify these feelings.

We’ve had to do some difficult things. We’ve had to make clear that the war on terrorism had to be fought, has to be fought on the offense. While people may not always agree with our policy, they love the United States. This is still a beacon of hope for the world.

US Secretary of State Rice, Interview on Good Morning America, September 19, 2006



Politics & Government



GLOBAL

Multilateralism revived

resurgence following number of setbacks over the last decade

recognition that effectively addressing today's challenges (e.g., nuclear proliferation and terrorism) requires partnerships

- countries lack the resources, staying power to counter these challenges alone

multilateralism now approached from a realist perspective – effective multilateralism

- short-term alliances for specific issues
- action and results-orientated partnerships

however, performance and effectiveness of international organizations continue to be questioned

critics claim that international institutions are not designed to deal with today's challenges

- UN, International Monetary Fund and World Bank were created to meet demands of the post-WWII era
- declining trust and support for these organizations among general public globally

UN faces particular challenges

general agreement on inherent value of the UN, but questions remain about politicization, representation, and scope and nature of its mandate

- inability to move forward on situation in Darfur seen as symptomatic of some of these issues

considerable reforms required and proposed in last 5 years, but there has been little noticeable movement

- Reform Summit (September 2005) held to discuss key reforms – some reforms were watered down and others not adopted at all (e.g., disarmament, non-proliferation)
- in May 2006, the Group of 77 developing countries and China set up a roadblock to management reforms

EFFECTIVE MULTILATERALISM DEFINED

The European Security Strategy defines effective multilateralism as the development of a stronger international society, well functioning international institutions and rule-based international order.



Politics & Government



GLOBAL

Democracy continues to sweep the world

number of electoral democracies have grown considerably in the last three decades

in 2005, the number of electoral democracies increased by 3 – 119 to 122 – representing 64% of countries worldwide

- 40% of countries in mid-1980s were characterized as electoral democracies
- the majority of countries in Western and East-Central Europe and the Americas have embraced democracy; increasingly the case in the Asia-Pacific region

of the current 122 electoral democracies, 89 (46%) are rated by Freedom House as “politically free”

- comparatively, only 25% of states garnered this distinction in 1975

over 50M people in “politically vulnerable” countries voted in free elections in past 3 years

- Afghanistan’s 2004 and 2005 presidential and parliamentary elections were the first in the country’s history; millions of Iraq citizens voted in early 2005; successful democratic voting in early 2006 in the Palestinian Authority

however, the story is not all good

basic governance remains a challenge for many states; the quality of democracy in others is questioned; and, a number of setbacks have been recorded in recent months

- Africa and Middle East making progress, but electoral democracies and freedom for citizens continues to be limited; home to large percentage of the world’s authoritarian regimes
- democracy and freedom in Iraq and Afghanistan are threatened by conflict; democracy in Lebanon is under considerable strain
- most vulnerable countries all have extremely young populations (i.e., median age of less than 20 years)
- Thailand experienced a military coup in late 2006; worries of a slide toward authoritarian rule in Russian

concerns that 2007 will see a movement away from electoral democracies

- The Economist has 9 countries on “negative watch”, compared to 1 on a “positive watch”



Politics & Government



GLOBAL

Democracy continues to sweep the world...

democracy promotion is priority for transatlantic countries

democracy seen as a key factor to global security and combating terrorism and nuclear proliferation

- US President has made democracy promotion a focus of second term; seeking to strengthen democracies in Iraq, Lebanon and Palestinian Authority
- a number of initiatives have been proposed by world powers to promote freedom, democracy and prosperity in Middle East and North Africa in recent years
- however, disagreement over why, where and how to promote democracy

recent events (e.g., Iraq) have shown that external creation/promotion of democracy is difficult for all involved

...democracy cannot come about in any society unless there is a strong domestic demand by local actors – elites, the masses or civil society – that want it. This is almost by definition. You cannot impose democracy on a country that does not want to be democratic.

*Francis Fukuyama,
"Do we really know how to promote democracy?"
May 24, 2005*



MAP OF FREEDOM 2006



- FREE
- PARTLY FREE
- NOT FREE

The Map of Freedom reflects the findings of Freedom House's 2006 survey. Freedom in the World is an annual institutional effort that examines the gains and losses for political rights and civil liberties in 192 countries and 14 unincorporated and disputed territories. For each country, the survey provides a concise report on political and human rights developments, along with ratings of political rights and civil liberties. Based on these ratings, countries are divided into three categories: Free, Partly Free, and Not Free, as reflected in the Map of Freedom.

In Free countries, citizens enjoy a high degree of political and civil liberties. Partly Free countries are characterized by some restrictions on political rights and civil liberties, often in a context of corruption, weak rule of law, ethnic strife, or civil war. In Not Free countries, the political process is tightly controlled and basic freedoms are denied.

In 2005, there were 2.97 billion people living in Free societies, representing 46 percent of the world's population. There were 1.16 billion people living in Partly Free societies, representing 18 percent of the world's population. There were 2.83 billion people living in Not Free societies, representing 46 percent of the world's population.

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Global Trends in Freedom

Year Under Review	1995	2000	2005
Free	76	85	89
Partly Free	62	74	88
Not Free	57	48	17
Total	195	207	192

Source: Freedom House, Map of Freedom 2006



Politics & Government



GLOBAL

Political parties winning by smaller margins

landslide electoral victories are still occurring, but becoming the exception

increasing number of minority governments;
growing number of parties in coalitions

recent razor-thin victories in United States,
Germany, Italy and Costa Rica

some unhealthy signs in Western democracies

democratic deficits becoming noticeable in
established democracies

- declining voting percentages and political party membership; spontaneity in political processes replaced by formal rituals; increasing amounts of money required to contest elections
- a large percentage of youth regard institutionalized politics as irrelevant; very low levels of interest, voting and political knowledge
- sophisticated media competencies required to conduct electoral politics
- elections are increasingly focused on personalities and style, less on issues and policy

LEFTIST WAVE IN LATIN AMERICA POLITICS

Numerous countries in the region are supporting leftist political parties and candidates. The winning formula is based on promises to correct long-standing social, political and economic ills, as well as to move away from close ties with the US and the free market system. Leftist leaders have been recently elected in Venezuela, Chile, Brazil, Argentina, Uruguay, Bolivia and Nicaragua.

WOMEN AND POLITICS

Despite gains in recent years, the proportion of women to men in politics remains low with parity not likely for the foreseeable future. Globally, females continue to be under-represented in legislatures, political parties, and international non-governmental organizations.

Representation in national parliaments is estimated at 16.6% globally (as of July 2006), which is the highest percentage achieved to date (15.7% in 2005; 12% in 1990).

Nordic countries are home to the largest percentage of female representation followed by the Americas. Arab states have the lowest representation.

The last decade has seen a slight decrease in female representation at the highest political levels. As of January 2005, there were 8 (4.2%) female heads of state or government; down from 12 (6.4%) in September 1995. However, success has been witnessed in unexpected places; almost half of Rwanda's legislature is female and 68 females sit as Members of Parliament in Afghanistan.



Politics & Government



GLOBAL

Immigration: major policy issue of the 21st Century

migration is a trans-border, global issue

recognition that migration is necessary to offset economic and demographic pressures

however, there is growing hesitancy in some countries about immigration

- e.g., potential security risks, illegal immigration, integration of migrants, social friction, etc.
- illegal migration is garnering the greatest amount of attention as this is viewed as a significant and growing problem
- cultural and religious practices of migrants are key issues when they are seen as counter to that of the general population
- immigration and related issues are playing significant roles in elections globally (e.g., United States, Denmark, France, Netherlands and Austria)

tighter controls on migration are being pursued by countries in the West

adoption of new measures have been driven by national security concerns and the desire to combat illegal immigration

- migration barriers between countries are stronger now than in last two decades
- countries across Europe are embracing sweeping immigration reforms/restrictions

increasing attention on migration management

- recognition that countries cannot act unilaterally; yet global reluctance to design common rules around migration
- immigration advocates calling for harmonized national laws, border controls and adoption of single political attitude
- southern countries seeking rights-based regime for international migration management

FENCING THE BORDER

The United States' *Secure Fence Act 2006* sets the stage for the construction of a 1,125km fence along the border with Mexico. The key motivator for the fence is to reduce illegal immigration, primarily from Mexico (1.3M illegal immigrants were arrested in 2005 trying to cross into the US).

The US government also has plans to erect a virtual fence across the 8,900km border with Canada over the next several years. Such a fence would consist of a system of sensors, radar and cameras across the full length of the border. The Department of Homeland Security also announced that unmanned surveillance aircraft will start patrolling the Canada-US border by Fall 2007 and will fly day and night.

Just one of the wrong people getting through, driving through our border area, could spell catastrophe. So, it is a concern.

Source: Scott Baker, Chief Patrol Agent, Customs and Border Protection, Department of Homeland Security, January 12, 2007



Politics & Government



GLOBAL

Immigration: major policy issue of the 21st Century...

globally, countries are seeking skilled labour

migrants are selected for their human capital attributes

- attention shifting to temporary migration programs – viewed as more flexible; limited implications for social security system; politically viable

however, most countries require mix of high-, medium- and low-skilled workers, but seeking low-skilled workers is not regarded as politically viable

governments are reviewing integration models

questions remain as to how best to integrate migrants into society

- countries choosing different paths – multiculturalism (e.g., Canada), assimilation (e.g., France), aggressive secularism (e.g., the Netherlands)
- Britain and Germany considering movement towards monoculturalism

rethinking of multiculturalism policies in many countries

- discussions focused on the limits of multiculturalism
- adoption of multiculturalism either slowing down or reversing

multiculturalism policies seen to create more problems

- seen as contributing to rise in extremism, separation, tension between different ethnic/cultural communities
- fostering development of ethnic enclaves leading to segregationist societies; creating cultural ghettos thereby undermining national unity
- growing concerns of divided loyalties between home and host country

integration of migrants can be difficult

- maintain ties to their country of origin
- often drawn to live in areas where fellow nationals live
- may turn to orthodox/fundamentalist religions in search of identity

GIVING BACK

Remittances remain the mainstay of the economies of developing countries. In 2005, migrants globally sent over USD\$165B to their home countries; increase from USD\$85B in 2000. Overwhelming majority of funds go to buying bare necessities.

Source: Time, November 13, 2006

Migrants can help to facilitate cross-border trade and investment linkages between source and destination countries. In addition, migrants, through remittances, are contributing significantly to the development of their home countries.



Petrol politics

securing access to stable and affordable supplies of oil is a growing preoccupation in international relations

the issue is paramount for Western countries as they are largely dependent on foreign countries for oil

- economic growth in Asia and insatiable appetite in US is pushing demand globally
- new national security imperative in the US is to wean the country from dependence on foreign oil

situation is affecting policies and positions of energy-hungry countries

- e.g., to maintain good standing with the government of Sudan, China is blocking UN resolutions on deploying peacekeeping troops into Darfur

power now flows from a gas pump

oil-rich countries (e.g., Iran and Venezuela) wield more power on international stage than their size/economy would normally provide

- moderate cut in output by Iran or Venezuela would send oil prices spiralling

some oil-rich countries are using resources to win friends, stave off enemies; engaging in what has been called petro-politics

- Iran has publicly stated intention to use its oil as a weapon and cut its exports of 2.4M barrels per day should the country face sanctions from the United States and United Nations
- Venezuela is using its oil to gain influence in Latin America and US; the President has warned of cutting off supplies to America if he feels threatened by the country; seeking deal with China to reduce dependence on US sales

Iran and Venezuela are pooling resources

- President of Venezuela visited Iran and committed to stand by the country at any time and under any condition
- President Ahmadinejad described the President of Venezuela as a brother and trench mate; Chavez enjoys strong support in Arab countries



Presidents of Iran and Venezuela embrace

Source: www.Liberation.fr, July 30, 2006



Politics & Government



GLOBAL

Embrace of new media

leveraging new media is necessary for success in politics

politicians/governments are embracing new media (e.g., blogs and vlogs)

- being Internet savvy is essential in elections in particular and day-to-day politics in general
- increasing use of blogs to express views on daily issues and/or criticize opponents; utilizing social networking sites (e.g., MySpace, Facebook) as campaign tools
- political parties/candidates employing Internet gurus – use expected to increase

new media a blessing and curse for governance

depending on one's perspective, new media is either democratizing or destroying politics

Internet seen as increasing accountability

- speeches, comments, voting record, always available for review
- levels the political playing field – minimal investment, reach larger audience, etc.
- enables politicians to be more natural as they know their true personalities will eventually be revealed

death of spontaneity – politicians assume they are on TV all the time; becoming more scripted to avoid gaffs; fearful of being "youtubed"

obscure/minor incidents can now get a lot of attention and coverage

bloggers and blogosphere wield great deal of influence

political bloggers can and have brought down candidates, exposed government cover-ups, etc.

candidates now seeking "netroots endorsement"

United States Senator George Allen's reference to a man of Indian descent as "macaca" during a small campaign event has effectively ended his political career. The event was not covered by official media, but was captured and uploaded onto YouTube. The incident quickly became a "most viewed" video and eventually became headline news for major news outlets.

Radically altering the political ecosystem by opening up elections, allowing lesser known candidates to have a platform.

Source: The Youtube Election, New York Times, August 2006



Politics & Government



CANADA

Dramatic changes on the federal political landscape

Government of Canada (GOC) is undergoing a transition

Liberal Party's 13-year reign ended in January 2006

- the party held almost unbroken power for most of the 20th and early 21st Century

'new' political party heads the 39th Parliament

- Conservative Party of Canada wins minority government; Stephen Harper sworn in as 22nd Prime Minister

the new government represents a geographic and ideological shift in power and influence

- Conservative Party seen as most morally/ideologically driven party in modern Canadian history
- historical dominance of eastern Canadian supplanted partly by influence of Western Canada
- domestic politics is a mix of three cultures – Western conservatives, Eastern and urban liberals, and Quebec nationalism – each with different priorities and visions for the country

considerable changes at senior-level of the public service

overhaul of the senior cadre began after new government was installed

- since January 2006, four major shuffles impacting over 40 deputy ministers
- represents the most significant change within the civil service since early 1990s

People of the West, let me just say one thing, and let me be clear. The West has wanted in, the West is in now. Canada will work for all of us.

Source: Prime Minister Stephen Harper, September 2006, speech on election night

NATIONHOOD DEBATE REIGNITED

On November 27, 2006, the House of Commons voted overwhelmingly in favour of the government's motion recognizing "that the Quebecois form a nation within a united Canada". Questions remain as to who constitutes the Quebecois. The Premier of Quebec has commented that this motion could eventually influence how the Supreme Court interprets Quebec laws. However, a House of Commons resolution has no legal or constitutional impact.

What happened on that day back in January of 2006 was profound in terms of the role of religion in public life in Canada.

Source: Andrew Grenville, Senior VP, Ipsos-Reid, September 25, Globe and Mail



Politics & Government



CANADA

Dramatic changes...

majority governments no longer the norm

second consecutive minority federal government elected in January 2006

- 11th minority government in Canadian history

few prospects for majority governments in foreseeable future

- multi-party political system reducing percentage of popular vote of largest political parties
- merger of Conservative Party/Alliance eliminates splitting of voting among conservative base; reduces Liberal Party prospects for winning some ridings
- Bloc Quebecois appears to be here to stay
- increasing polarization of the Canadian electorate

minority governments generally have a short lifespan

- historically, minority governments do not last longer than 15-18 months
- maintaining power depends on ability to secure partners, develop consensus; unlike Europe, formal coalitions not a part of the Canadian political tradition
- minority governments on constant deathwatch, but generally only fall when the government and/or opposition is ready to go to the electorate again

EFFECTIVENESS QUESTIONED

The debate over the effectiveness of minority governments continues. There are those who believe minority governments are ineffectual, unpredictable, unstable, risk adverse, polarizing, crisis ridden, focused only on short-term priorities, constantly shift priorities, and lack the ability to undertake major policy changes. Others argue the minority governments are more accountable, democratic, inclusive and representative.

I don't need to spend much time talking about how much has changed in Ottawa and across Canada over the past months. Since the January election, we have welcomed a new Prime Minister, a new Cabinet, a new agenda, new priorities, a new Budget and a new way of doing things.

Source: Kevin Lynch, Clerk of the Privy Council, remarks at the APEX Symposium, May 2006

GOVERNING FROM THE CENTRE

The majority of power, influence and decision-making continues to rest in the centre (i.e., Prime Minister, Prime Minister's Office). Critics claim that the country's parliamentary system places more power in the hands of the Prime Minister than any other modern democratic government.

Most, if not all prime ministers have been accused of centralizing and tightly controlling power/governing. It is argued that the process began under Pierre Trudeau, intensified under Brian Mulroney and continues to accelerate. What has changed over the years has been the focus of this control – political strategy, policy, communications.



Politics & Government



CANADA

Dramatic changes...

minority governments pursue continuous review of programs

- focus is on supporting priorities

minority governments pose particular challenge for public servants

- role is the same, but more difficult – pressure to design quick and favourable responses to government priorities; heightened levels of scrutiny

FEMALE REPRESENTATION

Female involvement and representation in the Canadian political system continues to lag males:

- significantly under-represented in Parliament and provincial legislators
- in 2006, only 16.8% (64) of elected MPs were female; 16.7% in 2004; and 12.6% in 1984

Quebec and Yukon currently have the highest percentage of female representation.

There are unique challenges and nuances when operating in a minority government situation. For government departments and agencies this means:

- working diligently to create an effective relationship with the Minister's office;
- giving greater importance to the perceptions of parliamentarians;
- undertaking practical contingency planning in the event that anticipated policies, legislation, and/or funding are adjusted or not approved; and
- retaining, or attaining, the capacity to be proactive in an environment that necessitates reaction to new requirements and political realities.

The fact that political priorities change quickly under a minority government may require that the RCMP take advantage of opportunities to communicate the significant contributions it makes to law enforcement and national security.

VOTER TURNOUT

Canada has one of the poorest voting records among Western democracies. Voter participation has fallen to dramatically low levels. Between 1945 and 1988, voter turnout declined from 75% to an all-time low of 60.9% in 2004. Turnout improved modestly in 2006 with 64.7% of the population voting.



Politics & Government



CANADA

Divisive mission

Afghanistan mission is polarizing political parties and Canadians alike

a 2006 House of Commons vote to extend the mission by two years revealed deep division within and between political parties

- 149 to 145 in favour of extension; military to withdraw in February 2009
- the government has committed to stay in the region until the “job is done” and the “Taliban is destroyed”; belief that security interests are best served by being in Afghanistan
- The New Democratic Party (NDP) and The Bloc Quebecois voted against the extension; NDP has called for an immediate withdrawal of troops; Liberal Party divided over both the mission and extension

public opinion polls reveal continuing significant opposition to mission

- a poll in late 2006 reveals that the country is almost evenly split
- many Canadians are unclear about the nature and purpose of the mission and are uncomfortable with troop involvement in security rather than peacekeeping operations
- increasing number of casualties seen as key factor for decline in support; Canada suffering disproportionate casualties

MORE CHANGES POSSIBLE AT FEDERAL LEVEL

Two pieces of legislation are currently under consideration:

- fixed election dates – once a general election is held the following election would fall on the third Monday in October four calendar years later; Parliament could still be dissolved and an election called if the government lost the confidence of the House of Commons
- election of senators – voters in provinces and territories with a vacancy in the Senate would vote in referendum on a possible replacement; the Prime Minister would still make the ultimate decision

RELIGION AND POLITICS

Recent years have witnessed dozens of religiously-orientated groups (e.g., think tanks, lobby groups, grassroots organizations) active in politics at all levels. Several of these groups have become influential on the national level. For example, the President of Canada Christian College – a public opponent to same-sex marriage – was recruited by the Government of Canada to assist on the child care initiative and sat as a personal guest of the Finance Minister for the reading of the 2006 Federal Budget.



Politics & Government



CANADA

Foreign policy front and centre

foreign policy issues are dominating federal political discourse

traditionally a peripheral issue in Canada however, global events and focus of successive federal governments has resulted in a reversal of this trend

- e.g., mission in Afghanistan, Kyoto Protocol, events on Israel-Lebanon border, global war on terrorism, resolving tensions in Canada-US relations
- last several years have seen the Government of Canada leading/pushing several key initiatives internationally (e.g., need for UN reform; Responsibility to Protect; and Africa Action Plan)
- increasing recognition that the GOC cannot ensure security of Canadians without being involved on international stage

focus is in step with interests of Canadians

- Canadians are more aware and interested than ever in events happening in other parts of the world; recognition that events on the international stage may have an impact on the country
- however, almost half of Canadian's surveyed by EKOS Research Associates in August 2006 believe that current foreign policy makes it more likely that the country will be a target of terrorism

Canada's foreign policy is evolving

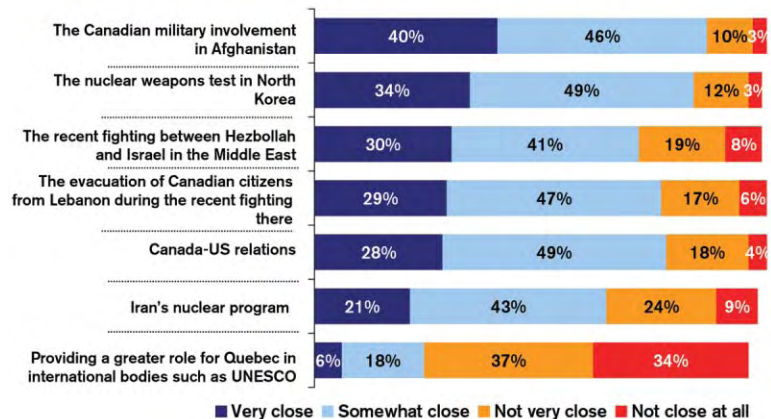
viewed as more activist, confrontational

- taking unprompted role on international stage (e.g., sent envoy to North Korea)
- espousing a more frank and direct tone in diplomatic relations
- e.g., the GOC publicly declared that the killing of Armenians in 1915 amounts to genocide by Turkey

ALL POLITICS IS LOCAL?

Generally, domestic events and political/policy decisions play a dominant role in national elections. However, the results of the midterm elections in the US highlighted that foreign policy can be a ballot-box issue. It is possible that the mission in Afghanistan, as well as other Canadian foreign policy decisions, may be a factor in the next federal election.

Canadians paying most attention to Afghanistan but other issues also of broad interest



Source: Foreign Policy Under a Conservative Government, Innovative Research Group, October 2006



Politics & Government



CANADA

New directions in foreign policy

growing evidence of a reversal / moving away from traditional Canadian positions

emphasis increasingly on military action rather than diplomatic solutions to global problems (i.e., moving away from traditional role of peacekeeping)

- shift away from a balanced/middle ground approach to Middle East issues (e.g., explicit support for Israel in Israel-Hezbollah conflict)

the government viewed as purposefully aligning Canadian foreign policy more closely with that of the United States

- democracy promotion now also a central tenet of Canadian foreign policy
- becoming more involved in international counterterrorism efforts

China is losing ground

momentum of last decade to bring Canada and China closer has stalled and is deteriorating

- "strategic partnership" forged between China and Canada in 2005 appears to have cooled
- tense relations between Chinese and Canadian politicians
- business and industry associations are pressuring the federal government to forge closer ties with China

PERCEPTIONS OF CANADIAN FOREIGN POLICY

An Angus Reid Strategies poll (Fall 2006), found that over 60% of respondents in 20 countries (e.g., Mexico, France, Italy, Egypt, Saudi Arabia, Lebanon, South Africa, etc.) consider Canada an independent force on the international stage. However, just over 40% of respondents in countries such as Russia, Israel, South Korea, Spain, Germany, Spain and Turkey think Canada mirrors the United States.

CHINESE-CANADIAN IRRITANTS

Numerous tensions/irritants between the two countries:

- accusations of Chinese industrial spying/espionage
- Chinese imprisonment of Canadian citizen (H. Celil)
- Canadian calls for stronger stand on human-rights
- Chinese refusal to allow Canada to advertise in China as a tourism destination
- Canadian bill giving Taiwan greater recognition in diplomatic and political affairs
- honorary Canadian citizenship for Dalai Lama
- Canada's refusal to deport China's most wanted fugitive (Lai Changxing)



Politics & Government



CANADA

New directions in foreign policy...

GOC focused on pursuing better and more effective relations with the United States Administration

the relationship has improved after several years of tension; a number of high profile incidents and public statements strained relationship for last several years

- being too close or too far from the US can be detrimental for a Canadian government; delicate balancing act is required

number of long-standing issues have been resolved in recent months

- agreement on softwood lumber; timeline on passport requirements; approach to climate change; renewal of military arrangements (i.e., North American Aerospace Defense Command)

despite irritants, the two countries have always maintained a close relationship

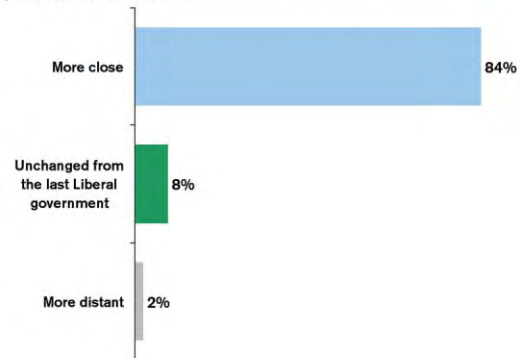
- shared interests and objectives (e.g., strong and secure economies) means that irritants will not fundamentally change the relationship
- the outcome of 2006 mid-term elections in the United States not expected to have an impact on Canada-US relations

a survey by EKOS Research Associates reveals that Canadians support improved relations with the United States

- however, surveys also reveal that more Canadians hold unfavourable views of the US
- increasing belief that the country is becoming more like the US, which is not desirable for most (EKOS Research Associates, August 2006)

Majority feel Harper and the Conservatives are closer to the US than the Liberal government was

Compared to the last Liberal government is the Stephen Harper Conservative government's relationship with the United States...



Note: Don't know (6%) not shown

Source: Foreign Policy Under a Conservative Government, Innovative Research Group, October 2006

ASSERTING SOVEREIGNTY

Canada is facing challenges from several countries over its claims of sovereignty in the Arctic. Canada maintains that the Northwest Passage is an internal waterway while the United States, among others, view the Passage as international waters. In addition, Canada has disputed with Denmark since 1973 over ownership of Hans Island – 1.3 km pile of rocks in the Arctic. The Island is of critical importance since control of it ensures control of the strait.

To deal with the challenge, the GOC recently announced a number of steps to increase presence in the area (e.g., commitment to build three armed icebreakers, a deep-water port and a military training centre in the area, and more Ranger patrols, etc.).



Politics & Government



CANADA

Investing in the safety and security of Canadians

post 9/11, the GOC has been investing significantly in national security

over \$8B has been invested to address key security gaps

- the 2006 budget outlined over \$1B to support national security initiatives; focus on securing transportation systems (e.g., air, rail, transit and marine), and securing borders and addressing public health threats
- organizations (i.e., Public Safety and Emergency Preparedness Canada) and positions (i.e., National Security Advisor) were created to support national security efforts in recent years

significant investments in military

- the 2006 federal budget committed \$5.3B over five years to strengthen the capacity of the Canadian Forces
- 2006 also saw the government announce \$15B to support acquisition of equipment (e.g., supply ships, trucks, helicopters, etc.)

Canadians approve of the GOC's approach to security

- however, Canadians possess low levels of knowledge of security initiatives (EKOS Research Associates, October 2006)

The increased focus on and funding of the public safety and security portfolio may be at the expense of funding for key partnering departments and agencies (e.g., HRSDC, Status of Women, etc.) that are essential in supporting the RCMP achieving its goal of safe homes and safe communities.

tackling crime is a key priority for the federal government

this is always a priority, but there has been more explicit focus on crime-related issues in recent years

- over the last five years, the RCMP's budget has increased by \$800M (40%)

Canada's new government has a clear law and order focus and is committed to "making our streets and communities safer by cracking down on crime"

- emphasis on combating gangs, gun and drug violence which is viewed as an increasing threat to Canadians
- committed to four-pronged strategy: stronger laws, effective gun control, crime prevention and enhancing capacity of law enforcement
- 2006 saw the introduction of over 10 anti-crime bills; two were passed into law in 2006 (e.g., tough penalties on street racing, restrictions on house arrest)

the 2006 federal budget committed over \$200M to support related initiatives

- commitment to increase capacity of the RCMP by 1,000 new officers
- \$20M for communities to prevent youth crime with focus on guns, gangs and drugs

The majority of new funding for the RCMP has been awarded for specific initiatives and is 'fenced' (i.e., monies can only be expended on these initiatives). This manner of funding, while expected to increase, limits the ability of an organization to reallocate funding internally from low to high priority/pressure areas and generally comes without funding for other implicated areas (e.g., Human Resources and technical operations). Such situations can be avoided by spending more time up front to determine support needs and/or by seeking additional funding from Treasury Board for these initiatives.



Politics & Government



CANADA

Ensuring accountability

accountability is a new priority for governments at all levels

the new millennium has seen governments called on, and aiming for, increased transparency and adherence to higher ethical standards

- auditor general reports, commissions of inquiry, etc. have accused governments of not being accountable or transparent enough

scandals and perceived inefficiencies at federal level has left many disenchanted with government

- studies reveal declining civic participation and eroding trust in public institutions over past decade by all Canadians

FEDERAL ACCOUNTABILITY ACT

The Act received royal assent on December 12, 2006. It includes substantive changes to 45 federal statutes. Key highlights of the Act include:

- creation of the Director of Public Prosecutions Office
- strengthened power of the Auditor General
- clarifying rules around movement of senior government officials into private sector lobbying positions
- protection for government whistleblowers
- reform of political financing and donations
- designation of Deputy Ministers as accounting officers

successive federal governments have focused on enhancing accountability around investments and decision making

fallout from "sponsorship scandal" has intensified calls for increased ministerial and bureaucratic accountability

- introduction of a myriad of new rules and regulations (e.g., procurement, reporting, etc.) has been the result

Canada's new government's first priority was to reform how "government works" – the *Federal Accountability Act* is its signature legislation

LIVING IN A FISHBOWL

Enhanced demands and requirements for accountability and adherence to high ethical standards will have a disproportionately large impact on law enforcement organizations, particularly as public safety and security issues are high profile in the post-9/11 era. This situation requires that:

- all levels within organizations behave as if their decisions and actions may become public knowledge and subject to intense scrutiny at some point; and,
- the realization that perceived errors may be magnified out of proportion to their intrinsic importance.

Amongst others, scrutiny may come from: the media, elected officials, judicial enquiries, the Office of the Auditor General, internal auditors and program evaluators.

Officers-in-Charge and senior executives should expect an increased focus on the relevance, results and cost-effectiveness of their programs and activities, and on the effectiveness of their management framework and controls. In addition, they should expect to spend an increasing proportion of their time dealing with a wide variety of matters relating to accountability and transparency.



Politics & Government



CANADA

Foreign operators

growing concerns over the number of foreign agents operating in the country

spies are said to be undertaking a number of activities

- however, majority of espionage is believed to be economic in nature

foreign intelligence services are continuing in their attempts to infiltrate key government departments in a quest for intelligence

- the Canadian Security Intelligence Service claims that foreign spies are trying to gain classified information related to Canada's scientific and technological developments, critical economic and information infrastructure and military information

no reliable data on number of spies in the country

various reports that China has placed more than 1,000 spies and informants in the country

- reportedly focused on industrial espionage, disrupting local Falun Gong movements
- the GOC publicly declared "concern" about Chinese industrial espionage

reports of a large and active Russian espionage ring in the country

- alleged Russian spy – "Paul William Hampel" – deported from Canada in late 2006; reportedly spied on Canada for 10 years while working for the *Sluzhba Vneshney Razvedki* (*Russian Foreign Intelligence Service*)

the Iranian government has been known to operate in the country to keep a watch on its diaspora

presence and activities of foreign criminal investigators are under scrutiny

number of foreign investigators has increased significantly since 9/11

- foreign investigators are allowed in the country if they inform and seek GOC approval prior to arrival
- however, there have been numerous instances where investigators have not been complying with this requirement

We have some concerns with certain activities of the Chinese government in this country and we do intend to raise them at the appropriate time.

Source: Prime Minister Stephen Harper, Montréal, April 2006

The presence of industrial espionage puts a country's technological and economic advantage at risk, especially when the activities are state-sponsored. Industrial espionage can manifest itself in many ways including:

- stealing proprietary material or information on a competitor's contract bid to gain a competitive advantage; and,
- sabotage (e.g., tampering with production lines, contaminating laboratory tests, etc.) to affect a competitor's profitability.

Success in mitigating this potentially insidious threat will depend on:

- capacity to detect espionage through criminal intelligence;
- leveraging of knowledge and intelligence of industrial espionage;
- discreet investigations so private sector companies are not hesitant to come forward with incidents and suspicions; and
- a strong private sector security capacity.



Politics & Government



CANADA

Responding to needs of Aboriginal People

Aboriginal file continues to challenge governments

the GOC spends approximately \$9.1B per year on related programs

- funds primarily targeted to on-reserve population

the GOC is responsible for overall welfare; provinces/territories have jurisdiction over land and resources

Aboriginal self-government and land claims are long-standing issues

since 1973, 20 comprehensive claim agreements, covering roughly 40% of Canada's land mass, have been ratified and implemented

- approximately 120 claims are currently in negotiation nationally; resolution takes years and often decades
- large-scale resource development is the catalyst for settling some major claims (i.e., companies put pressure on governments to reach a deal)

disputes over land and resources are frequent and occasionally violent

- currently, there are land claims disputes in Caledonia and Tyendinaga, Ontario and disputes over fishing and logging rights in New Brunswick and Cape Breton

First Nations contend they should deal government-to-government with the GOC

- self-government would see Aboriginal People designing and controlling their own justice systems, schools, health clinics, employment services and businesses

recent setbacks/tensions in GOC relations with First Nations groups

- decision not to honour Kelowna Accord
- Canada voted against adoption of the draft United Nations Declaration on the Rights of Indigenous Peoples in June 2006

Relationship-building and trust are essential for effective policing in any community, but perhaps even more so in Aboriginal communities. This requires an in-depth knowledge of cultural practices and historical reference points and how they continue to have wide-ranging impacts today (e.g., residential schools). It is equally important to recognize that Aboriginal People and communities throughout the country are diverse and as such require equally diverse approaches to relationship building, decision-making processes and policing. Offering police officers cultural and historical training prior to transferring to areas with significant Aboriginal populations may yield great benefits.

KELOWNA ACCORD

In Fall 2005, Federal, Provincial and Territorial governments and First Nations representatives signed a \$5.1B landmark accord. The Accord set out commitments to improve education, employment, housing and health care for Aboriginal People. Despite the signing and the level of support it continues to enjoy among the signatories, the Government of Canada recently decided not to implement the Accord.

This is a file that has been shoved under the rug for 150 years.

Source: Paul Martin, former Canadian Prime Minister, The Economist, September 2006



Politics & Government



CANADA

Land of immigration?

Canada maintains a strong commitment to immigration, but changes are underway

Canada accepts more people each year than most other countries

- immigration is critical for economic reasons, especially in light of demographic trends (e.g., aging population)

increasing focus on economic aspects of immigration

- immigration system seen as favouring white-collar/highly-skilled workers
- 2005 saw the introduction of more than 80,000 temporary workers to Canada

increasing linkages between migration and security concerns – shifting geography of borders, managing access

- imposing new visa requirements for residents of some countries
- pursuing safe third-country provisions
- increasing use of detention centres (i.e., Prince George)

rethinking of Canada's dual citizenship regime

- increasing concern about dual loyalties and responsibility of the GOC for those living abroad in times of crisis (e.g., evacuation of Lebanon)
- approximately 500,000 Canadians with dual citizenship

attention focused on undocumented workers; between 200,000 and 500,000 estimated undocumented workers in the country

- in October 2006, the federal government ruled out amnesty for undocumented workers for fear that it may encourage more illegal immigration
- industry associations, unions and advocacy groups have lobbied the GOC to regularize these workers

In March 2006, the federal government deported 24 Portuguese nationals who had been working illegally in the construction field. The government has since agreed to stop all deportations of undocumented workers until a new immigration policy is introduced.

Events in some European countries (e.g., France and Britain) have shown that, where support for immigration is lagging and immigrants are not successfully integrated into society, social friction and even conflict and violence may result. This situation is not likely to manifest itself in Canada as Canadians continue to be supportive of immigration, and the ability of the country to integrate newcomers has been widely lauded. However, recent trends indicate that more could be done to better integrate some newcomers which requires a whole of government and societal approach.



Politics & Government



CANADA

Public service facing crisis

significant issues around leadership, management and staffing

retirement levels, recruitment and retention are viewed as problematic

40% of public servants are expected to retire in next five years

- over half of public service currently between the ages 45 and 64
- 40% are between the ages 25 and 44; 15 years ago, 60% of public servants were between the ages 25 and 44

the Public Service Commission has concluded that departments are not developing effective human resource strategies

- senior officials not making human resource management a priority
- focus is on temporary solutions to fill positions (e.g., 45,000 people were hired by the GOC in 2005, only 15,000 were permanent and term positions)

the government is competing with many different sectors for highly-skilled workers

high turnover rate within Deputy Minister ranks

- Deputy Ministers occupy their positions for an average of three years
- generally assumed that it takes three years to fully understand a portfolio

GOC is concerned that there has been a decline in quality of leadership and management within the public service

the Clerk of the Privy Council has made the future and renewal of the federal public service a top priority

- Prime Minister-established nine-member advisory committee will support the renewal process
- view that the public service must “renew” the way it does business, manage employees and money; focus on recruitment and development of employees
- latest in a series – public and private sector – of renewal programs dating back to early 1990s

intense spotlight on the bureaucracy

a series of high profile events in recent years has resulted in a heightened level of scrutiny (e.g., “sponsorship scandal”, HRSD “boondoggle”, successive scathing Auditor General reports)

- claims of culture of entitlement within bureaucratic ranks
- new and more rules and regulations introduced to ensure accountability
- feelings of disillusionment reportedly high among public servants



Politics & Government



CANADA

Provinces and Territories share common priorities

improving health care system is the top priority for most if not all jurisdictions

focus not expected to change any time soon

- emphasis on: improving access and responsiveness of system; ensuring adequate numbers of health care professionals

provinces and territories are also concerned with reducing crime and ensuring safe communities

majority of governments focused on: combating organized and gang crime; addressing substance abuse and drug trafficking (i.e., crystal meth); and, reducing domestic violence

- seeking to prevent crime by tackling root causes
- several provinces (e.g., Ontario and British Columbia) lobbying the Government of Canada for tougher sentences for gun crimes

a number of provinces are committed to increasing the capacity of law enforcement community

- e.g., Manitoba's 2005 Budget outlined the province's largest-ever funding increase for policing in the province; adding 54 new officers over 2 years

strengthening relationship with Aboriginal communities is also a provincial and territorial priority

working to resolve self-government and land-claims issues

- British Columbia's government working with provincial First Nations' organizations to develop a new relationship founded on respect, recognition and reconciliation of Aboriginal rights and title

provinces are increasingly seeking international role/presence

the Council of the Federation states that "provinces have a formal role to participate in international activities in their jurisdictions"

primarily a concern for Quebec, Ontario and Alberta

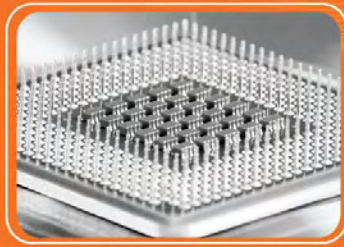
- Quebec concern with cultural issues (e.g., La Francophonie, UNESCO); Alberta seeking role in energy-related discussions; economic-related issues driving Ontario
- these three provinces have approximately 50 offices around the world; majority are co-located within Canadian missions

the GOC recently committed to expand the role of provinces/territories in foreign affairs

- concerns that speaking with one voice internationally may be compromised

SIGNIFICANT CHANGES AT PROVINCIAL LEVEL

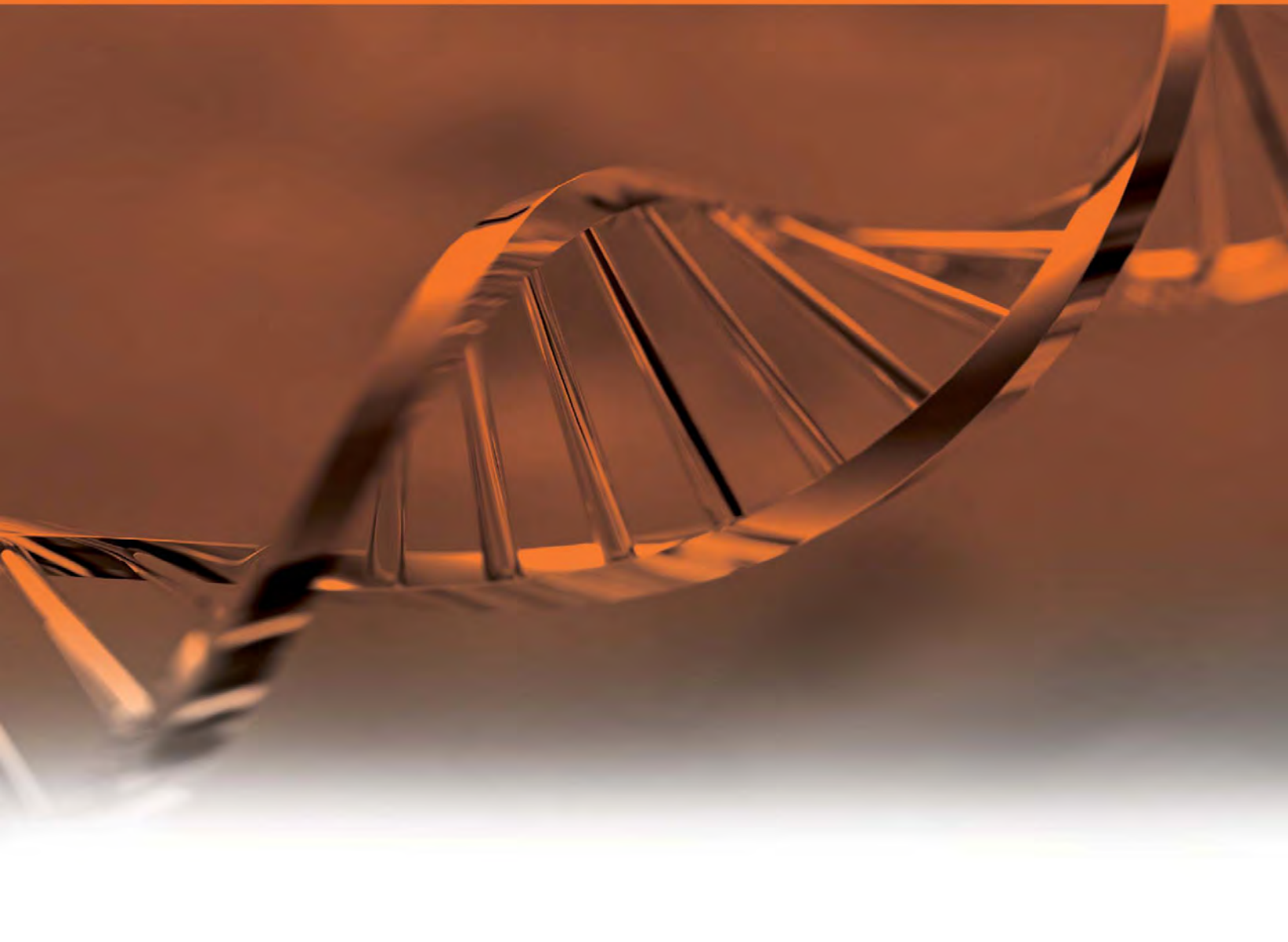
- "King Ralph" stepped aside after 14 years as Premier of Alberta in late 2006. Ralph Klein has been credited with engineering the economic successes of the province. As Premier, he enjoyed unprecedented levels of support throughout his tenure. Support for the Progressive Conservative Party remains high in the province.
- Bernard Lord, Premier of New Brunswick for over six years, lost a re-election bid. In September 2006, the Progressive Party of New Brunswick relinquished power to the Liberal Party.



Science & Technology

Developments in information and communications technology, radio frequency identification and biometrics are not only fundamentally changing the way we live, but also the criminal environment.

Canada is strengthening its position in science and technology spheres, emerging as a world leader in a number of areas. The RCMP is contributing to this leadership through the development of innovative tools and techniques.





Science & Technology



GLOBAL

West continues to dominate

developed countries continue to drive innovation in science and technology

approximately 2% of global gross domestic product (GDP) was devoted to research and development (R&D) in 2004

- North America, Western Europe and Asia account for approximately 96% of global gross expenditure on research and development (GERD)
- United States, Japan, China, Germany, France and the United Kingdom dominate research and development within these regions

proportion of scientists to general population in the developed world is 10 to 30 times higher than in the rest of the world

United States remains world leader in biotechnology

largely driven by new pharmaceutical applications – 230 new drugs entered the marketplace in 2004

- Canada, European Union and Asia-Pacific emerging as significant players in biotechnology R&D

significant growth is occurring in China and India

growth is driven by technological expertise, specifically in information and communications technologies (ICTs)

- China's expertise lies in hardware
- ICT-related foreign direct investment inflows to China worth USD\$21B in 2005

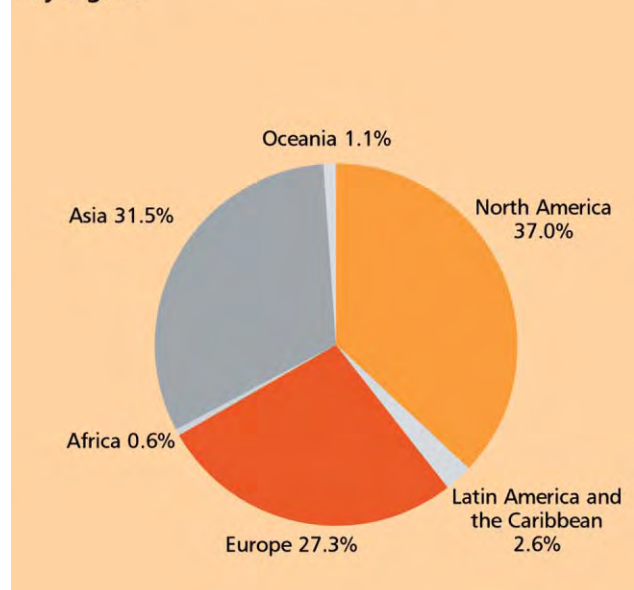
India is the fastest growing ICT market in the world

- focusing on software, design and services
- however, large majority of ICT in India is export oriented – relatively small domestic market

some analysts forecast *Chindia* to dominate ICT market in the future

- some Eastern European and South American nations, especially Poland and Brazil, are also emerging as significant players in the global technology market

WORLD SHARES OF GERD, 2002
By region



Source: United Nations Educational, Scientific and Cultural Organization, Science Report, 2005



Science & Technology



GLOBAL

Significant gaps exist between haves and have-nots

digital divide between developed and developing countries remains

access to ICT is indicative of global imbalance

- mobile phones 29 times more prevalent in high income countries
- 1 in 2 Internet users resides in a G8 country

developing nations are plagued by inferior and costly ICT

- lack broadband connectivity and have congested international links
- cost of 20 hours of Internet service in the developing world roughly equal to 2.5 times the average individual's monthly income
- however, improvements occurring in basic connectivity and mobile infrastructure

emerging technologies are helping to combat digital divide

Massachusetts Institute of Technology Media Lab's One Laptop per Child initiative is designing, manufacturing and distributing USD\$100 laptops to governments in developing world

open source software may help to further bridge digital divide

- opens software development process to programmers in developing world
- offers access to free or low-cost alternatives to expensive applications

developing nations will not follow traditional paths of technological development

advances in developed world are trickling down to developing nations

- rapid pace of change allowing for *leapfrog* technological developments (e.g., nations move directly to mobile telephone networks without having to ever implement traditional fixed-line technology)

but, technology is not a panacea for the problems of underdevelopment

- simple adoption of modern technologies will not act as a levelling agent for the developing world – technologies must be part of a broader development scheme addressing infrastructure issues, poverty, disease etc.

DIGITAL DIVIDE IN DEVELOPED COUNTRIES

Despite the widespread proliferation of science and technology and increasingly democratized access to emerging applications, many individuals in the developed world also lack access to these technologies. Disparities in the access to and usage of technology in the developing world is largely a function of income and education levels, age and the urban/rural divide.



Science & Technology



GLOBAL

Boundaries between scientific disciplines continue to blur

traditionally autonomous sciences and technologies are converging

combined within single disciplines and devices

- convergence between developments in nanotechnology, biotechnology, materials technology, cognitive science, and information and communications technology (e.g., nanoparticle biosensors, electronic textiles and Voice over Internet Protocol [VoIP])
- telephone, personal digital assistant (PDA), MP3 player, camera, mobile TV, Internet and GPS capabilities converging onto single handheld devices
- information increasingly shared across and between platforms and organizations, necessitating interoperability

previous trend of scientific specialization has been reversed

future applications may be revolutionary

- e.g., sensors for airborne chemicals, photovoltaics, fuel cells and portable power sources, improved computing and digital storage capacities
- medical applications show most promise, particularly the potential for nano-implants and nanoparticles as drug delivery and gene therapy tools

convergent sciences and technologies are providing a number of useful tools for policing and security

- improvements in materials technology, connectivity and processing power allowing for widespread application of wearable computers, heads-up displays and mobile camera technologies
- unmanned and/or intelligent vehicles, robots and automated systems increasingly utilized in hazardous operations
- convergence in nano- and bio-technologies will offer means to detect and protect against chemical and biological agents

INNOVATIVE TOOLS

Time Magazine recently listed a noninvasive alcohol measurement system with biometric verification capabilities a "best invention of 2006".

Developed by TruTouch Technologies, the device detects alcohol levels by shining infrared light on a person's hand and analyzing how the hand reflects the light. The test takes only 60 seconds, requires no bodily fluid samples and only limited cooperation from the subject.

Source: Time Magazine, November 13, 2006



Science & Technology



GLOBAL

Pervasive computing – coupling the real and the virtual

technologies are increasingly moving into the background

technological visibility is decreasing as processing power increases

- computing devices naturalized into the physical environment (e.g., Mercedes S Class vehicle features an active braking system that detects rapidly slowing vehicles in front and can activate the brakes without driver intervention)
- safety and security concerns and risks are associated with emerging pervasive technologies (e.g., in previously cited example of autonomous vehicular braking, controlling software must be protected from a possible breach)

driven by three converging ICT areas – device development, connectivity and user-interfaces

- developments in sensor and actuator technology driving ubiquity

wide range applications are possible for pervasive computing in the future

remote sensor technology in health care

- continuous capture and analysis of patient data

homecare

- sensors in clothing to monitor vital signs, detection equipment to alert emergency medical staff in the case of a fall

smart transport systems

- electronic devices autonomously monitor and manage the movement of vehicles – vehicles could become capable of receiving and exchanging information concerning road closures, accidents, traffic congestion, and could suggest alternate routes

balance between privacy and safety and security is being challenged by pervasive computing

devices may eventually be able to autonomously gather data (e.g., movements, interactions and attitudes of individuals), retrieve sensitive data from databases, etc.

PERVASIVE/UBIQUITOUS COMPUTING HISTORY

Pervasive computing is the third wave of computing technologies. The first wave was Mainframe computing, where one computer was shared by many people via workstations. The second wave was Personal computing, where one computer was used by one person, requiring conscious interaction, usually through a monitor display and a keyboard.

The third wave, Pervasive computing refers to the era in which an individual interacts with many computers through various interfaces, not always requiring the conscious attention of the user. Millions of computers are embedded in the environment, allowing technology to recede into the background. Pervasive Computing experts predict that, in the near future, computing will have become so naturalized into the environment that individuals will no longer realize that they are using computers.

Source: United Kingdom Parliamentary Office of Science and Technology, May 2006



Science & Technology



GLOBAL

Revolution in Information and Communication Technologies continues

technology costs for established applications continue to fall

prices for consumer electronics, VoIP and mobile telecom are on a downward trend

- as a general rule, prices of storage and ICT hardware drops 50% and 66% respectively over the course of a year at constant performance levels

however, costs remain expensive for emerging technologies as they enter the market

miniaturization continues

ICT devices are continually becoming smaller and lighter

- reduction in energy consumption and heat production is resulting in longer lasting and more dependable devices
- greater capacity hard drives are included in smaller devices
- magnetic fields around devices are decreasing – reduces interference levels

digital storage capacity is growing

capacities are expected to double every 18 to 24 months

- terabyte drives emerging as consumer standard

Internet and World Wide Web capacity expanding

number of advanced and high performance network applications and technologies are in development

- Internet2 – a consortium of universities working in partnership with the private sector and government to develop advanced network applications and technologies
- Internet2 – will not replace current Internet, but will improve capacity and performance – interactive distance learning, remote access to scientific instruments and streaming high definition video are all possible developments emerging from the Internet2 partnership
- US Department of Education and Internet2 partnering to deploy a reliable, high capacity nationwide network – ESnet4 – to enhance research capacity

security remains a major concern for ICT users

rising incidence of identity theft driven by growing availability of personal information in electronic formats

- enhanced protection of personal information will further drive e-business market penetration



Science & Technology



GLOBAL

Sharp increases in cyber-crimes detected

spam is putting email users at risk

primary tool for Internet criminals

- used for identity theft, advance fee schemes and pyramid schemes
- half of all email traffic is considered spam; one out of every 122 spam messages contains malicious code – worms, Trojans and bots
- malicious code attacks expected to increase with the release of Microsoft Windows Vista in early 2007

botnets are increasingly delivered through spam

- personal computers hijacked by spammers using bots and employed to deliver spam

sharp increase in *phishing* and *pharming*

Symantec Probe Network detected 157,477 unique phishing messages from January to June 2006 which attempted to direct users to bogus websites

- represents an 81% increase from number detected in first half of 2005
- financial services most phished sector with 84% of known phishing sites targeting financial institutions

pharming, a close cousin of phishing, is more difficult to detect

- relatively new phenomenon – one of the first known pharming attacks was conducted in early 2005
- pharming attacks do not rely on bogus links or messages to attract users to websites but redirect users to a bogus website even if they type the right web address into their browser

distributed denial of service (DDOS) attacks are a threat to Internet Service Providers and website hosts

criminals are gaining remote control of computers and using them to attack specific targets

- sometimes combined with extortion attempts – criminals demand money from website owners by threatening to cripple websites with DDOS attacks

Groups of any size, from two to millions, can reach each other and use the Net to promote an agenda. Their members and followers can come from any geographical region on the Net, and they can attempt to influence foreign policy anywhere in the world.

Source: Dorothy Denning, Hactivism, Activism and Cyberterrorism, 2001

SOMEONE'S ALWAYS WATCHING

The wide ranging impact of converging technologies on police organizations was demonstrated in the fallout from a recent disturbance at UCLA in California. A student who failed to produce student identification while in the UCLA library was tasered by campus police. The incident was captured by another student on a cell phone camera and posted on the video-sharing website YouTube, gaining national media attention in the United States. An investigation into the incident is ongoing.



New developments in Radio Frequency Identification

RFID is practical for wide-ranging tracking applications

RFID technologies were developed in 1940s, 1950s and 1960s, but size and cost restricted their widespread application

- falling chip costs and miniaturization now driving widespread proliferation

emerging applications in industrial, transportation, consumer goods and security sectors

- RFID in use today for a variety of applications including automatic highway toll payment and theft-detection tags
- applications in security include travel documents, border and building security

security concerns remain

RFID technologies require large databases of information to track unique codes

RFID tags are vulnerable to viruses and malicious software (malware)

- recent study demonstrated possibility of writing viruses onto RFID tags, which could then be uploaded to databases when the tag was scanned
- growing financial incentive for criminals to hack RFID technology – credit cards, PayPass Cards and ID documents increasingly developed with RFID capabilities

The promises of RFID applications are enormous. However, privacy concerns may continue to limit their widespread use in the public safety and security community. Proponents argue that there is potential for RFID technology to vastly improve evidence chain-of-custody, identification and document verification, among other applications. However, since RFID codes can be combined with personal information to create profiles some argue that there is a potential for privacy violations through eavesdropping and tracking which outweighs any benefits.

MOBILE BANKING AND MONEY TRANSFERS

A market for mobile banking has emerged in South Africa, as over half a million people are now using mobile phones as banking service points in the country. The technology allows individuals to transfer money at the touch of a cell phone button. The implications of mobile banking could be widespread; global remittances could be formalized through mobile transactions. Because many mobile banking users in South Africa have never previously held a bank account, simple platforms and mobile banking systems are preferred, at the expense of more complex, more secure systems. Without tight regulation and oversight, mobile money laundering remains a threat.

Source: The Economist, October 26, 2006



Science & Technology



GLOBAL

Biometrics: more than just fingerprints

iris scan technology is developing rapidly

considered among best biometric technologies in the industry

- thought to be highly stable biometric for verification or identification over time
- iris scanning proven for secure access to doors and for airport security
- however, requires significant training of security personnel to capture initial biometric

concerns remain

- iris scanning 100% reliant on technological processes – cannot be verified by a human

facial recognition technology on the horizon

still-image technology is being implemented in passports around the globe

- technology would revolutionize investigation and protection
- closed-circuit television and video analysis could be augmented with technological ability to determine who is on camera, if they are in violation of access rights, and automatically raise appropriate alarms in case of a breach

digital storage is a concern

- video files are too large for current compression and storage technologies

biometrics are emerging as a viable public safety and security tool

with falling technology prices, systems are becoming cost effective for widespread security applications

- iris scan and facial recognition technology implemented at some border crossings
- fingerprint technology replacing passwords on computers and memory sticks, etc.

private sector is largely driving technological development of biometric systems

Beyond questions of technological capability and the dedication of resources, privacy concerns will often make technological advancement difficult or impossible and may limit which tools can be implemented in policing and how these tools interact with each other (e.g., databases collecting information on offenders that could conceivably be linked to share information will often remain independent).



Science & Technology



GLOBAL

Biotech & nanotech: transformational technologies of the 21st Century?

global biotechnology and nanotechnology industries are showing strong growth

global revenues grew by 17% in 2004 to USD\$54.6B – growth is expected to accelerate

- approximately 290,000 biotechnology employees worldwide
- many predict that biotechnology will surpass the Information Technology (IT) revolution and become the primary driver for economic, political and social change within next 10 to 20 years

advances in biotechnology applications continue

- current applications of biotechnology predominantly found in agriculture, environment and medicine, particularly in genomics

nanotechnology is developing at an extraordinary rate

- worldwide investments in nanotechnology R&D growing – USD \$10B annually, growing to USD\$12B in 2006
- however, remains in pre-competitive stage, with limited applications; applications available include wound dressings, stain-free clothing and water filtration systems

safety and security applications abound

biomedicine applications, including biosensors and imaging equipment, will improve medical diagnosis and treatment

number of defence and security applications are in development

- vaccines against weaponized pathogens; biosensors to detect and quantify explosives, toxins and biowarfare agents

however, emerging biotechnologies can be used for malicious ends

- potential for misuse and widespread loss in bio-attacks will grow
- advances in biotechnology will augment biological warfare agent development

HEALTH AND WELL-BEING

Some research highlights the risks of nano-contamination, citing the potential for small particles to contaminate the atmosphere and waterways. Some nanoparticles are able to pass through skin and nerve tissue to the brain. Carbon nanotubes resemble asbestos fibers, which are known carcinogens. More research is needed on possible effects of nanotechnologies on human health and well-being.



Science & Technology



State of Science & Technology in Canada improving

Canadian expenditures on R&D have been rising significantly since 1990

\$27.2B in expenditures in 2005

- rose from \$10B in 1990; average annual growth rate of 4.5%

however, Canada's gross domestic expenditure on research and development (GERD) as a percentage of GDP remains low compared to other advanced Organisation for Economic Co-operation and Development (OECD) nations

- current rate of GERD to GDP is 2% – half that of world leaders Sweden and Finland and below OECD and G7 averages

federal government, second to the private sector, is an important source of research funding

- 18% (\$5.2B) of total funding of R&D

investment in knowledge (i.e., sum of R&D software and higher education investments) is improving

more broadly defined indicators of science and technology show Canada more closely in line with OECD leaders

- investment in knowledge, as percentage of GDP, comparable with Japan and Denmark

exhibiting continued strength in some research outputs

8th largest producer in terms of scientific publication volume, but rest of the world is gaining ground on Canada

however, Canada is falling behind in other areas

- patent intensity (number of patents granted per million population) ranks well below the OECD average
- China surpassed Canada in numbers of scientific publications in natural sciences and engineering in 2004

some provinces are excelling, others are falling behind

Ontario and Quebec have R&D intensity that compares favourably to the OECD average

- Atlantic and Prairie provinces well below OECD average in R&D to GDP ratios
- Newfoundland only province with declining R&D intensity – downward trend from 1992-2002

Canada's future economic growth and quality of life depends on our ability to excel globally in science, technology and innovation.

Source: Arthur J. Carty, National Science Advisor, 2005



Science & Technology



CANADA

State of Science & Technology in Canada improving...

investments in infrastructure and research is elevating Canada's international profile

state-of-the-art infrastructure attracting world-class researchers

- 7,200 new faculty members were recruited into positions in Canada's universities since 2000; 2,700 of which came from outside of Canada
- in 2006, the University of British Columbia recruited Nobel laureate (physics) Carl Wieman away from a prominent US university

federal government invested \$66.9M in 2006 to fund the appointment of 90 Canada Research Chairs

- Chairholders will conduct research in a diversity of areas including allergy and immune tolerance, healthy child development, geophysics and social justice

emerging as a global leader in four broad categories of Science & Technology activity

substantial strength in technologies related to natural resources, especially mining and energy

- world leader in oil sands production technology

Information Communication Technology

- expertise in telecommunications, computers and robotics science and technology is a long-standing strength
- world-class ICT infrastructure including wireless and broadband networks
- recognized as a world leader in new media, animation and gaming technologies; number of successful new media companies and world-class training facilities

health and life sciences (e.g., cancer research, neuroscience, infectious disease and immunity)

- strength emerging in genomics and proteomics – applied to human health and plant and animal biotechnology

environmental technology (e.g., climate science, oceanography, hydrology, fuel cell technology and urban geography)

- motivated by strength in natural resources technology – strong desire for sustainable resource consumption and clean energy

WIRELESS NETWORKING

Wireless networks (Wi-Fi & WiMAX) are increasingly being implemented in Canada, offering "blanket" coverage to users. Generally these networks are located in urban areas. Zone 1 of Toronto Hydro Telecom's blanket Wi-Fi coverage was recently activated. Users can now connect to the Internet from anywhere in the downtown Toronto core. Wireless coverage in iBurst format was also recently made available citywide in Moncton.

EVIL TWINS

The proliferation of public wireless networks is offering hackers a new criminal opportunity. Hackers can set up an attack computer as a duplicate wireless access point, mirroring a public access hotspot, but with a stronger signal. Users then log onto the Internet through this evil twin, enabling the hacker to read data that the victim is sending and receiving.

Source: PC World, March 15, 2005



Science & Technology



CANADA

Technology opening new doors and creating new pitfalls

technology creating new avenues in which crimes can flourish

impacting the way crimes are committed, how criminals keep records of their operations

- computers and other ICT devices employed to aid criminal enterprises
- cyber and technological crimes can be automated, attack multiple victims at once and are often untraceable
- geographical proximity no longer necessary to commit technologically-based crimes – interconnectedness driven by spread of ICTs gives all high tech criminals a global reach
- criminals increasingly using security and encryption products and services to avoid law enforcement detection

advances in technology are facilitating specific types of crime

- e.g., economic crime, identity theft, data falsification, phishing, pharming, hacking and spying

existing lawful access legislation has been challenged by new technologies

no legislation is compelling telecommunications service providers to have intercept-capable networks

- lack of capability legislation creating intercept safe havens for some technologies such as VoIP
- rapidly evolving telecommunications technologies represent obstacles to lawful access of communications if intercept capability is not built into telecommunications infrastructures
- *Modernization of Investigative Techniques Act* – which would have compelled telecommunication service providers to build interception capability into their networks and improve lawful access in an age of rapid technological advancement – died on the order papers at the close of the 38th Parliament in November 2005

As the tools of crime shift to include more technological applications, law enforcement organizations must also make this shift. However, the move to digital and technological investigation is resource intensive:

- as criminals continue to acquire and utilize technology, law enforcement organizations must also invest in technology research and development which requires technology acquisition budgets to keep pace;
- law enforcement organizations are obliged to invest in technology during the most expensive life-cycle phase to keep pace with criminal groups (i.e., acquisition costs are most expensive as technologies emerge);
- greater focus on technology upgrade, maintenance and training;
- increasing complexity of investigations requires the engagement of specialists from outside the traditional law enforcement community (e.g., engineers); and,
- technological investments must be adequately secured.

However, digital and technological investigations can yield significant results:

- software applications can facilitate and improve the organization of investigations, and the analysis of crime and criminal organizations; and,
- increasingly complex analysis is now possible (e.g., the analysis of digital trails in banking transactions, hard drives etc., can allow law enforcement to disrupt entire criminal organizations rather than just individuals).

Without lawful access legislation to compel telecommunication companies to build intercept-capable networks, criminals will continue to benefit from intercept safe-havens in Canada. All levels of crime and criminality, from street level drug trafficking, to terrorism and organized crime, may continue to be a challenge for police to detect if these criminals utilize telecommunications networks without intercept capability.



Science & Technology



CANADA

Getting online a priority

Internet is driving changes in the lifestyles of many Canadians

Increasing numbers of Canadians are accessing the Internet

- two-thirds of all adult Canadians surfed the Internet in 2005; two-thirds of which used the Internet every day during a typical month
- home usage remains the primary Internet access point

Internet is revolutionizing how Canadians interact with financial institutions and governments as well as how/when/what they consume

- 6 in every 10 home users use the Internet to do banking
- 55% of home users use the Internet to pay bills
- approximately 50% of home users used the Internet to search for information on governments

Internet access digital divide remains prevalent in Canada across multiple groups

- high income Canadians are significantly more likely to use the Internet
- individuals aged between 18 and 44 years are one and a half times more likely to use the Internet than those 45 years of age and older
- Canadians living in rural areas and small towns are significantly less likely to access the Internet than urban Canadians

GOING CELLULAR

The proportion of households relying only on cell phones rather than landlines for communications more than doubled between 2003 and 2005. As of December 2005, approximately 4.8% of households reported having only a cell phone, compared with just 1.9% in mid-2003. British Columbia and Alberta are leading the trend. Households in large urban centres are most likely to only have a cell phone.

Source: Statistics Canada, The Daily, April 5, 2006, based on Residential Telephone Service Survey, December 2005



Application of innovative tools

various emerging technologies will be implemented in the police car of the future

piloting of Automatic License Plate Recognition (ALPR) technology is underway in British Columbia

- RCMP police vehicles have cameras mounted on cars that capture images of vehicle license plates
- ALPR system reads the plates and instantly compares it with an onboard database of information on stolen vehicles and uninsured, unlicensed and prohibited drivers
- impressive initial results – in one hour, a police vehicle captured 600 plate images and got an average of one database hit from every 60 plates; 9% of hits were associated with stolen vehicles
- ALPR is also used extensively in jurisdictions across the United Kingdom and the United States

voice-activated systems will improve officer safety

- speech user interfaces that allow officers to use voice commands to control in-vehicle devices including sirens, lights, scanners and Global Positioning System (GPS)
- spoken commands may, in the future, trigger database checks where results are read back audibly

INNOVATIVE EXPLOSIVES DISPOSAL TECHNOLOGY

The latest version of protective bomb disposal suits, the Explosive Ordnance Disposal 8 (EOD 8), is used by law enforcement agencies all around the world. Developed in partnership between the RCMP and a private sector company, the suit is continuously upgraded to provide maximum protection, visibility and mobility. A system is also being produced commercially, under licence from the RCMP, to contain and render harmless devices designed to release chemical and biological agents. The system consists of a tent that is placed over the device to contain the explosion. When the device is triggered, the tent contains the explosion and neutralizes the agent with a decontamination foam.

EOD 8 – BOMB SUIT TECHNOLOGY



Source: RCMP Gazette, Vol. 67, Issue 1, 2005



Science & Technology



CANADA

Application of innovative tools...

increasing demand for training and assistance from Canadian polygraph examiners

Canadian polygraph examiners are considered among the best in the world

new demands for truth verification technology

- polygraph experts assisting Canadian military in Afghanistan
- subjects of polygraph testing expanding to include suspected terrorists or war criminals

behavioural science experts and polygraph technicians are utilized to reduce insider threat

- necessary to ensure the integrity of individuals within organizations who have access to information and assets that could be used to inflict harm

INCREASING DEMAND FOR BEHAVIORAL SCIENCES

Behavioral assessments are increasingly utilized in many facets of policing to evaluate the risk of threats. In the wake of high profile incidents of school violence, behavioral threat assessments have been utilized to prevent violent actions in other jurisdictions. Threat assessments are also undertaken on some offenders prior to release from prison to screen for high risks of recidivism and to assess the validity of threats or extortion communications received.

IMPROVEMENTS IN POLYGRAPH TECHNOLOGY

Recent developments in polygraph research promise to make this technology more sound. Researchers at the United States Department of Defense Polygraph Institute are employing thermal imaging cameras during testing to detect heat, looking for signals of deception. In addition, a professor from the University of Pennsylvania has employed near-infrared light sensors to detect bloodstream activity in the prefrontal cortex to detect a lie.

Source: RCMP Pony Express, 2006

Some argue that the current move towards the use of technology in policing is coming at the expense of traditional approaches and techniques and reducing the visibility of officers in, and interaction with, their communities. Experience has shown that when technologies fail, employee morale and output can be negatively impacted. Optimally, technological applications should be adopted as tools in the repertoire of policing tactics.



Environment

As evidence continues to mount, climate change is emerging as one of the central global challenges of the 21st Century. In addition, a number of ecosystems are being degraded, largely due to the impacts of human activity.

No part of the country will be immune from the impacts of climate change. However, the Northern regions are already feeling the devastating impacts which are expected to intensify in the coming years. The health of Canada's environment is also being threatened by pollutants released into the air and waterways and by environmental crime.





Climate change: a warming planet

surface air temperatures are rising globally

global temperature rose 0.6°C over last century

- expected to rise between 1.8 and 4.0°C above 1990 levels by 2100

2005 was warmest year ever recorded – 14.6°C average global temperature

- 11 of last 12 years (1995-2006) rank among the 12 warmest years on record
- provisional figures indicate that 2006 will be the sixth warmest year on record

similar warming trends are occurring in both air-temperature-over-sea and sea-surface temperature

atmospheric concentrations of greenhouse gases (GHGs) are driving temperature increases

particulate matter discharged from burning of fossil fuels is contributing to smog and air quality issues, particularly in urban areas

human activity is causing atmospheric concentrations of GHGs to rise

- atmospheric concentrations of carbon dioxide (CO₂) rising – burning of fossil fuels is primary source
- atmospheric CO₂ levels increased from 280 ppm in 1750 to 380 ppm in 2005 – highest level ever measured
- atmospheric nitrous oxide continues to grow; current rate approximately 320 ppb

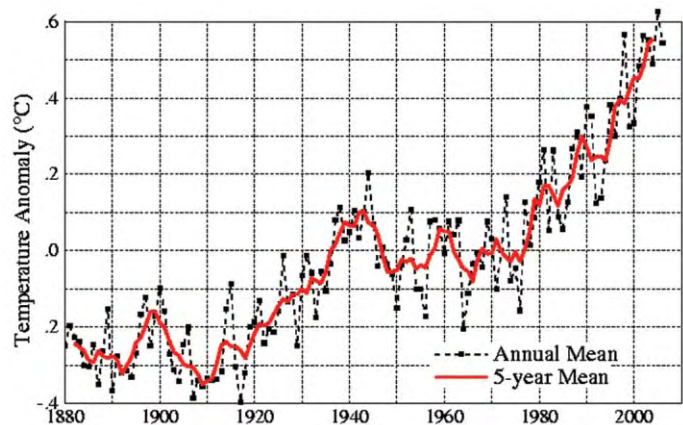
methane is more abundant in atmosphere than at any measurable point in history

- concentration measured at 1,774 ppb in 2005
- high concentrations resulting from rice farming, raising of cattle, coal mining and the use of landfills

per capita emissions vary significantly across globe

- per capita CO₂ emissions in US are 27 times those of sub-Saharan Africa
- rapid growth in GHG emissions in North America and developing areas of Asia since 1980

Global Temperature: Land-Ocean Index



Source: NASA GISTEMP, 2006,

What is now plain is that the emission of greenhouse gases, associated with industrialization and strong economic growth from a world population that has increased six-fold in 200 years, is causing global warming at a rate that began as significant, has become alarming and is simply unsustainable in the long-term.

Source: Tony Blair, Speech to UK Parliament, September 14, 2004



Growing evidence of climate change impacts

global sea levels continue to rise

2-3mm per year since 1993

- thermal expansion of ocean water and ice melt may accelerate rise
- the Intergovernmental Panel on Climate Change (IPCC) predicts 9-88cm rise over next hundred years

small island states and low-lying coastal areas with dense populations are seriously threatened

- some small island states in the South Pacific (e.g., Tuvalu, Carteret Islands) are disappearing under rising sea water, creating environmental refugees

arctic sea ice continues to decline

the minimum extent of annual arctic sea ice was measured at 2.05M sq. miles in September 2005 – lowest level on record

- melting trends of arctic ice has been increasing since early 1990s
- a recent report presented to American Geophysical Union predicts all summer arctic sea ice could melt by 2040

data on sea ice in Antarctica is inconclusive

widespread retreat of continental and alpine glaciers in both hemispheres

glacierized area in the Alps has decreased by 40% since 1850

Mt. Kilimanjaro ice fields decreased by 82% since 1912; 33% of loss occurred in last 20 years

ice flow loss from Greenland's glaciers increased from 50 km³/year in 1996, to 150 km³/year in 2005

continuation of glacial retreat may result in reduced freshwater run-off, altered ocean currents and increased sea level rise

The Northwest Passage is a coveted shipping route and as sea ice melts, year-round shipping may be a possibility within a decade. Tourism and exploration and development by mining, oil and gas companies have already contributed to traffic in this area in recent years. Public safety and security organizations, including the RCMP, may be called upon for enhanced services in the North, including emergency response, as well as the enforcement and oversight of marine safety and environmental regulations.

DOOMSDAY CLOCK

It is now 5 minutes to midnight. In January 2007, the doomsday clock advanced two minutes closer to midnight, the figurative end of civilization. Two major sources of catastrophe motivated the advance:

- the perils of 27,000 nuclear weapons, and;
- the destruction of human habitats from climate change

Muir Glacier, Alaska – 1941 & 2004



Source: National Snow and Ice Data Center, 2006



Environment



GLOBAL

Growing evidence of climate change impacts...

accelerated warming in polar regions is driving rapid changes

temperature hotspots are appearing in Alaska, Siberia and Antarctic Peninsula

annual average arctic temperature is increasing at almost twice the global rate

snow cover extent declining

- 10% decrease over past 30 years in the Arctic

permafrost is melting

- continued ground thaw is expected to disrupt transportation, buildings and critical infrastructure in the Arctic

precipitation and rainfall patterns continue to change around the world

rainfall declining in tropical areas in both hemispheres

desertification occurring in some regions of Africa driven by lower average annual rainfall

precipitation levels increasing in the Arctic – 8% increase over last century, particularly in autumn and winter

shifting plant and animal ranges, frequencies and cycles

earlier onset of plant flowering and longer growing seasons have been observed in many areas

range and population size of species are declining across a number of taxonomic groups

many plant, insect and animal species are shifting pole-ward or to higher altitudes

DEBATE IS OVER ON THE CAUSES OF CLIMATE CHANGE

Scientific consensus continues to grow around the human-driven climate change thesis. Evidence suggests that global warming is driven by increasing concentrations of GHGs, ozone and particulate matter produced by the burning of fossil fuels, conversion of land for agricultural/urban uses and deforestation.

In a report released in February 2007, the IPCC, a body of hundreds of scientists and representatives from 113 governments, concluded that climate change is an unequivocal problem that is “very likely” caused by human activity. This translates into a more than 90% certainty that observed warming is driven by the burning of fossil fuels.

Despite this consensus, a small minority of high profile pundits and international think tanks continue to posit alternative theories; they argue that observed warming is within natural variation.



Whither Kyoto?

debate continues: are Kyoto Accord targets reachable?

despite the Accord coming into effect in 2005, GHG emissions continue to grow in many signatory countries

- general upward trend in emissions from industrialized countries from 2000-2004

the first target phase closes in 2012

- some countries on track to meet targets, while others have fallen far behind
- e.g., some EU nations currently below 1990 levels; emissions from Japan approximately 20% above 1990 levels; emissions from Canada 26.6% above 1990 levels

the United Nations Framework Convention on Climate Change Secretariat calling on industrialized countries to do more to reduce emissions

- consensus that international cooperation is required to combat GHGs

negotiations beginning for second target phase of Kyoto Accord

however, little progress in establishing post-2012 targets

- developing nations attempting to shift focus to climate change adaptation rather than targets – argue that climate change is already occurring and damages must be mitigated
- the US and Australia, among largest per capita GHG emitters, prefer system of floating targets; have not ratified the Kyoto Protocol
- no prospect of a deal to include developing nations in Kyoto without participation of the US and Australia

THE ECONOMICS OF CLIMATE CHANGE

The Stern Review, commissioned by the British government, found that climate change is “the greatest and widest-ranging market failure ever seen”. In his report, Sir Nicolas Stern concluded that:

- ignoring climate change will damage economic growth;
- climate change could result in economic and social damage and disruption on a scale similar to the Great Wars or the Great Depression;
- 2-3°C rise in temperature could reduce global economic output by 3%;
- in worst case projection models, global consumption per person could fall by 20%; and,
- increased extreme weather could reduce the global Gross Domestic Product by up to 1%.

Tony Blair claimed that the conclusions of the Stern Review “are a wake-up call to every country in the world”.

Source: The Stern Review on the Economics of Climate Change, 2006



Environment



GLOBAL

Batten down the hatches

environmental degradation is driving increasing impacts and costs of disasters

deforestation, soil erosion and overgrazing are leading to desertification

- areas of South Asia where coral reefs and mangrove swamps were removed to create beaches were more heavily impacted by 2004 Tsunami
- earthquake damage is exacerbated by land conversion on steep terrain; risk of landslides

increasing frequency and intensity of severe weather events and natural disasters

- the number of disasters and people impacted has been growing since 1975
- increase in number of weather-related disasters; growing populations in high risk areas; increases in intensity and duration of some disasters (e.g., hurricanes)
- 2005 was a record-breaking year for disasters – over 100,000 people killed in natural disasters; over \$210B in associated losses

the 2005 Atlantic hurricane season was the most active in recorded history

- 27 named storms, 7 major hurricanes
- 4 reached category 5 status

natural disasters are drawing attention to environmental security concerns

developing nations and poor populations are most impacted by natural disasters

- lack of planning and preparedness, infrastructure and economic capacity to absorb costs and shocks
- high risk areas include sub-Saharan Africa, low-lying communities in Asia-Pacific

the World Bank reports over half of the world's population live in high risk areas and are exposed to natural hazards that could significantly impact their lives (e.g., live directly on or close to a major fault line)

- environmental issues, including catastrophic weather, could create 50M environmental refugees by 2010

The law enforcement community would be directly implicated in responding to natural disasters, in many cases as the first responders. These situations often pose significant challenges:

- high levels of uncertainty and shifting priorities;
- disruption of infrastructure, making communications and transportation difficult; police officers and their families may also be victims with some officers unavailable or unwilling to report for duty;
- worst-case situations may undermine law and order – recent events have shown that crime rates often spike following a natural disaster; disaster fraud (e.g., misuse of disaster relief funds, scams claiming to raise money for victims, etc.) has occurred in some cases.

Research – and recent events – have found that it is necessary for first responders to know that they, as well as their families, will also receive the help they need.



2004-2005 Disasters – Facts and Figures

South Asian Tsunami

- triggered by underwater earthquake off coast of Sumatra
- measured 9.3 on Richter scale – 2nd largest quake ever recorded
- the resulting tsunami waves reached as high as 20m
- more than 200,000 dead, millions more homeless in several countries (e.g., Indonesia, Thailand, the Maldives, Sri Lanka, Somalia)

Kashmir earthquake

- measured 7.6 on Richter scale
- more than 80,000 dead, 3 million homeless
- many affected people remained homeless for months, through the winter, with inadequate shelter, heating, sanitation and food supplies

United States Hurricane Katrina

- made landfall in Louisiana as category 3; wind gusts up to 209 km/h
- flood waves up to 10m high traveled up to 1km inland
- New Orleans devastated when levees and drainage canals failed
- approximately 1,700 died as a result of the storm, thousands more homeless
- caused direct losses of at least USD\$130B

Tsunami aftermath – Indonesia



Source: Wave of Destruction, www.waveofdestruction.org

Hurricane Katrina aftermath – New Orleans



Source: WWLTV Louisiana, wwltv.com



Environment



GLOBAL

Addicted to fossil fuels

fossil fuels continue to dominate energy supplies

burning of fossil fuels provides approximately 80% of the world's energy, consumed primarily in Organization for Economic Cooperation and Development (OECD) countries

- heavy reliance on fossil fuels drives environmental degradation
- energy security risks as much of world's oil is produced in politically unstable regions

oil remains the single largest fuel in the global energy mix

- oil use is growing – 1.3% global increase in 2005
- global demand reached 83.3M barrels per day in 2005; up from 67M barrels per day in 1990
- global oil consumption expected to reach 118M barrels per day by 2030

coal and natural gas use also continues to grow

renewable sources are increasingly being utilized

renewable energy currently supplies 17% of the world's primary energy demands

new renewables (i.e., small hydro, modern biomass, wind, solar, geothermal and biofuels) are rapidly growing, especially in developed countries

- *new renewables* currently account for 2% of global energy supply
- solar thermal collectors are now used in 40M households worldwide
- in Brazil, ethanol from sugar cane supplies 44% of automotive fuel for domestic consumption
- wind generated power and biodiesel growing at phenomenal rates – 28% and 25% respectively per year

many countries are adopting renewable energy targets

- targets exist in 45 countries globally, including 10 developing countries
- Sweden has targeted 60% of electricity output to be renewable by 2010



Environment



GLOBAL

Not-so-green cities

urbanization is causing increasing damage to urban and rural ecosystems

despite occupying only 2% of total global land area, cities leave an immense ecological footprint

- urban inhabitants and industries: use 75% of all natural resources consumed; produce majority of GHGs driving climate change

progress has been made, but urban air pollution remains a problem

six pollutants of concern: carbon monoxide, lead, nitrogen dioxide, sulphur dioxide, ozone and suspended particulate matter

World Bank survey of 100 cities found unhealthy airborne concentrations of sulphur dioxide and nitrogen dioxide in many areas

- 80% of Chinese cities had airborne concentrations above the World Health Organization's safety thresholds
- 1.8 million people will die prematurely each year between now and 2020 because of air pollution

rapidly increasing asthma rates are linked to exposure to airborne pollutants

growing waste production

urban populations are producing waste run-off in high concentrations

- consumption and affluence driving increasing waste

persistent organic pollutants and polychlorinated biphenyls are widely dispersed throughout the globe

- large quantities found in polar regions due to global distillation
- species at high trophic levels susceptible to bio-accumulation with possible detrimental effects for health and well-being

ELECTRONIC WASTE

The global volume of e-waste is rapidly growing. Each year, 20-40M tonnes of electronic equipment is discarded worldwide. This waste contains a myriad of toxic materials including mercury, cadmium, chromium, zinc and antimony.

The developed world exports large quantities of e-waste each year with much of this waste processed in the developing world at small processing facilities with little or no controls on processes and materials used and the emissions discharged.

As e-waste continues to grow, environmental non-governmental organizations are calling for controls on cross-border movements of e-waste and for electronics manufacturers to take life-cycle responsibility for their products by developing cleaner technologies that last longer and are easier to upgrade and/or recycle.



Ecosystems under stress

globally, many ecosystems are being degraded

changes are largely result of growing demands for food, fresh water, timber and fuel

- more than one-quarter of the Earth's surface has been cultivated for croplands, livestock production
- since 1960, global water withdrawals from rivers and lakes for irrigation, industrial and urban use has doubled
- the United Nations Millennium Ecosystem Assessment found that 60% of ecosystem services – including air quality, fresh water resources and fisheries – are deteriorating or being used unsustainably
- a recent study found that wild fish and seafood stocks could collapse entirely and disappear by 2050 if current rates of decline continue

increasing global ecological footprint

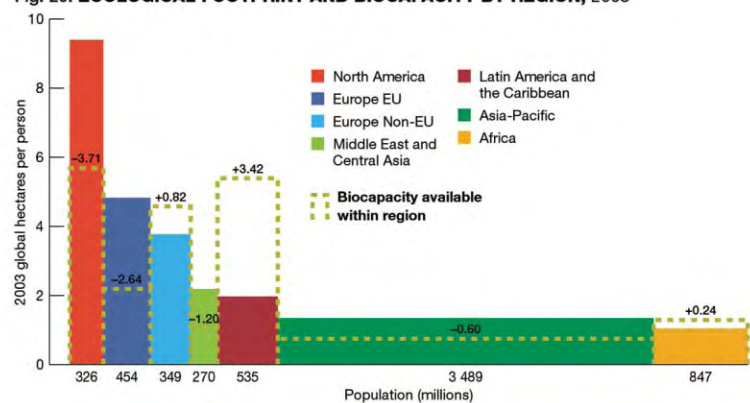
human activity changing ecosystems at an unprecedented rate

- growing population driving continued degradation
- gains in well-being and economic development achieved at expense of environment

indicators of human demands on Earth's renewable resources increasingly show a global ecological debt

- from 1960-2001, ecological footprint grew to exceed regenerative capacity by 20%
- current ecological debt expected to rise with growing populations, emissions and consumption

Fig. 20: **ECOLOGICAL FOOTPRINT AND BIOCAPACITY BY REGION, 2003**



Source: WWFI/UNEP Living Planet Report, 2006

Although humans are relative newcomers in the vast scale of the Earth's geological history, we have become agents of environmental change, at least on timescales of decades to centuries. Atmospheric emissions of greenhouse gases and pollutants, and extensive changes in the land surface, have potential consequences for global and regional climate, weather, and air quality, the Earth's protective shield of stratospheric ozone, the distribution and abundance of many plant and animal species, and the health of ecosystems and their ability to provide life-supporting goods and services.

Source: *Climate Change: A Capstone Issue*, US Climate Change Science Program, 2003



Old growth forests threatened

total forest area continues to decrease

deforestation continues at a rate of 13M hectares per year

- driven primarily by the conversion of forests to agricultural land

annual rate of net forest loss remains high, but rate is decreasing

- average annual loss of 7.3M hectares between 2000-2005; most pronounced in South America and Africa

carbon stocks in forest biomass are decreasing

- 1.1 gigatonnes of carbon released annually from forest areas, largely due to deforestation and forest degradation
- continued carbon loss may contribute to increased concentrations of atmospheric GHGs, further driving global warming

illegal logging continues to cause extensive environmental and economic damage

estimated annual losses in assets and revenue in excess of USD\$10B from illegal logging; USD\$5B is lost in evaded taxes and royalties

- approximately USD\$5B in illegal wood products enter the global marketplace each year, representing 10% of the value of global trade in primary wood products

illegal logging has been linked to conflict and wars in the developing world

- revenues from *conflict timber* fuelling unrest in Cambodia, Liberia and the Democratic Republic of Congo

illegal logging-induced deforestation has been linked to increased landslides, river silting, erosion, flooding, forest fires and carbon emissions, and decreasing biodiversity

Various forms of illegal logging and other related crime:

- timber theft;
- unauthorized harvesting of wood;
- evasion of taxes and fees; and,
- noncompliance with regulations related to harvesting, export and the environment.

Source: Strengthening Forest Law Enforcement and Governance, World Bank, 2006

CLIMATE CHANGE AND FOREST ENVIRONMENTS

Impacts of climate change on forests are expected to include shifts in geographic distribution of tree species, increased outbreaks of insects and disease, increased frequency and severity of forest fires, and increased damage from severe weather events.



Parched planet

available freshwater supplies are dwindling; current withdrawals are not sustainable

increasing groundwater deficit is driven by rising demand

- majority of freshwater withdrawn for agricultural use, especially in developing countries
- total global groundwater withdrawals expected to continue to increase 18% by 2025

depletion of aquifers in Africa, the Middle East and the US occurring at rates above natural regeneration

- widespread environmental impacts of depletion include sinking of land, seawater intrusion, species extinction
- potential for armed conflict and sovereignty/territorial disputes in areas where freshwater supplies are decreasing

poor water quality and unsafe drinking water are impacting many

1.1B people worldwide are without access to safe drinking water, largely in the developing world

pollution from agriculture, industry and domestic wastewater is increasing scarcity and decreasing quality of drinking water

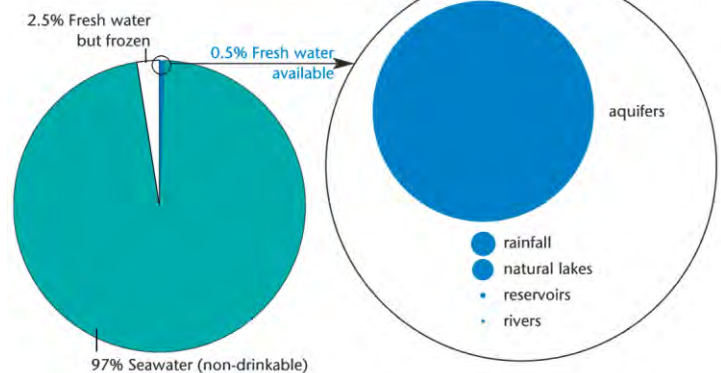
- 85-95% sewage is discharged directly into rivers, lakes and oceans in the developing world
- synthetic pharmaceutical residue and pesticide contamination increasingly detected in rivers and lakes in developed countries

number of water-stressed regions is increasing

2.3B people reside in river basins *under stress*, largely concentrated in Africa and Asia – projected to rise to 4B by 2050

- water stress exacerbated by uneven global supply, regional variations of population size, climate change and deforestation

Fresh water available



Source: *Water Facts and Trends, World Business Council for Sustainable Development, 2005*

There are alternative sources for energy. There are no alternatives to water.

Source: "If we can manage water... we can manage the effects of climate change", Sustainable Development International, 2005



Balmy Canadian Arctic

accelerated rates of warming witnessed in Arctic

Arctic regions are warming at nearly twice the rate of global average

- average winter temperatures in western Canadian Arctic have increased by up to 4°C over the past 50 years

rising temperatures are driving dramatic changes

changes include melting sea ice, rising sea levels, earlier springs, changes in growing seasons and shifting northerly species

- yellow jacket wasps appearing in northerly areas such as Arctic Bay
- polar bears increasingly threatened as sea ice melts (e.g., drowning while hunting for food as ice extent declines)
- Porcupine Caribou – a large population of Grant’s Caribou which ranges across the border between Alaska, Yukon and the Northwest Territories – severely impacted as migration routes between Alaska and Yukon disrupted by earlier spring river ice melt

traditional indigenous communities and practices are being threatened by changing climate

- traditional hunting culture diminishing
- over-sea ice travel dangerous and sometimes impossible
- decreased abundance and possible extinction of arctic-adapted fish species (e.g., arctic char)

over-land travel and infrastructure is threatened

- travel over tundra and ice roads is possible during increasingly shorter periods in the winter season
- oil, gas, mining and forestry industries, as well as indigenous communities, are adversely impacted by reduced access

roads, buildings, pipelines and industrial infrastructure are threatened by land sagging associated with permafrost thaw

Long ago, there was always ice all summer. You would see the [multiyear ice] all summer. Ice was moving back and forth this time of year. Now, no ice. Should be. You used to see that old ice coming from the west side of Sachs. No more. Now between Victoria Island and Banks Island, there is open water. Shouldn't be that way.

Source: Frank Kudlak, Sachs Harbour, Canada – quoted in Impacts of a Warming Arctic, 2004

Today and into the future, the effects of climate change will be felt most acutely in Canada’s North. For example, thawing ground and permafrost will significantly disrupt overland transportation and infrastructure installations including pipelines, industrial infrastructure, homes and commercial buildings. Without continuous upkeep, the structural integrity of this infrastructure may be compromised. In addition, significant disruptions in overland transportation will impact the quality of life in northern communities, as well as the response capabilities of law enforcement.



Environment



CANADA

Consumption of non-renewable energy growing

Canada is one of the biggest users of energy in the industrialized world

total consumption is rising – from 8,549 petajoules in 1990 to 10,477 petajoules in 2003

- Canada consumes one petajoule of energy every 50 minutes
- one petajoule equals roughly the amount of energy required to operate the Montreal Métro for a year
- consumption rates almost equal per capita energy consumption of the US; eight times higher than Italy

a number of factors contribute to high consumption

- long travel distances for moving goods and people; prolonged heating and lighting required in the winter; key industries are energy intense (e.g., mining, forestry, steel manufacturing etc.)

nearly all energy consumed in Canada comes from non-renewables

refined petroleum products, natural gas and coal account for 87% of total energy usage

- petroleum products remain primary fuel in the energy mix representing 40% of energy use

consumption of these energies increased between 1990 and 2003 (19% for petroleum, 36% for natural gas and 16% for coal)

environmental impacts of oil sands development continue to grow

oil sands development represents the single largest contribution to GHG emission growth

- production of synthetic oil from oil sands contributes 3 times more GHGs to atmosphere than production of conventional oil

surface and deep extraction requires massive amount of resources

- each barrel of oil extracted requires two to five barrels of water, up to four tonnes of earth and enough natural gas to heat a home for one to five days

FEDERAL GOVERNMENT FUNDING CLEAN ENERGY

In January 2007, the Federal Government announced more than \$1.5B in funding for the ecoENERGY Renewable Initiative. The funding will be used to increase Canada's supply of clean electricity from sources such as wind, biomass, small hydro and ocean energy, and the adoption of clean thermal technologies for water and space heating. This initiative is intended to complement the government's Clean Air Act in reducing greenhouse gases and air pollution.

Oil Sands: Canada's fastest growing source of Greenhouse Gases



Source: David Dodge, The Pembina Institute, 2006



Environment



CANADA

A freshwater oasis?

toxic chemicals are threatening Canada's freshwater

at least 100,000 tonnes of toxic waste was discharged directly into Canada's surface waters in 2003

industrial and agricultural activities are key drivers of degrading water quality

- mining, forestry and pulp and paper among the key industrial contributors to water pollution
- the Great Lakes are a chemical hot spot with over 360 chemical compounds identified in the Lakes, including DDT, mercury and alkylated lead

many northern and remote communities lack access to safe drinking water

three-quarters of First Nations communities face a significant risk to the quality or safety of drinking water

- as of October 2006, 85 First Nations communities were under drinking water advisories; includes boil water and do not drink advisories

water quality also an issue in cities and rural areas across Canada

- one-third of gastrointestinal illness in Montreal caused by contaminants in tap water
- unsafe drinking water in Vancouver led to 17,500 physician visits and 85 hospital admissions between 1992 and 1998
- 20-40% of all rural wells have nitrate concentrations or coliform bacteria counts in excess of water quality guidelines

E. COLI IN KASHECHEWAN'S WATER SUPPLY

In November 2005, the Ontario government evacuated 60% of the residents of Kashechewan First Nation to provide them with immediate medical care due to an outbreak of E. coli. The bacteria had been discovered in the community's drinking water as early as October 18, 2005. Contamination problems were blamed on the location of the water treatment plant's intake pipe, which is located 135 metres downstream from a sewage lagoon.

Kashechewan had been under a boil water advisory for two years and had been identified as a community with severe water problems in 2001. In 2003, the community was called a "Walkerton-in-waiting" by the Ontario Clean Water Agency. Media attention devoted to the evacuation elevated the visibility of on-reserve water quality issues facing many northern communities.



Environment



CANADA

Poor record on air pollution and quality

Canada is one of the biggest per capita emitters of pollutants of OECD countries

power plants and industrial and vehicular emissions are Canada's largest sources of pollutants

although in decline, emissions of sulphur oxides remain 3 times higher than the OECD average; 29 times higher than the OECD leader Switzerland

- Canada has the worst ranking in the OECD in per capita emissions of volatile organic compounds and carbon monoxide

concentration of ground level ozone – a key contributor to smog – is increasing

- increased by 16% from 1990 to 2003; highest concentrations and fastest growth rates occurring in Southern Ontario

airborne pollutants and harmful emissions continue to adversely affect the health of Canadians

air quality is not just an urban issue

damage from pollution is not always localized

- long-range transport of smog and pollutants by prevailing winds results in adverse effects on air quality kilometres away from the source of pollution

Government of Canada is moving towards a *made in Canada* solution to airborne pollutants and GHGs

the *Clean Air Act* proposing a shift towards a system of fixed targets; this approach has been adopted by United States and Australia

- short-term GHG reductions will be set in consultation with the provinces and territories and industry
- absolute reduction of GHG emissions to 45-65% below 2003 levels by 2050
- Act currently under consideration in the House of Commons and subject to further debate

CRITICISM OF CLEAN AIR ACT

Opposition parties and environmental groups, both at home and abroad, demanded that Canada resign its chair of the international Climate Change Treaty negotiations in 2006 in reaction to the government's environmental policy. Critics claim that the proposed legislation takes no immediate action to address pollution and climate change.

THE ENVIRONMENT IS A PRIORITY FOR CANADIANS

Recent polls have demonstrated that the environment is the foremost political issue for Canadians. It is expected that the environment will be a leading issue during the next federal election.

Source: Environment a priority for more Canadians, poll suggests, CBC, November 8, 2006



Environment



CANADA

Biodiversity imperiled

invasive alien species are increasingly threatening Canadian biodiversity

globalization of trade and travel is resulting in introductions of invasive species to the country

- a new invasive species is detected in the Great Lakes every 28 weeks
- Asian longhorn beetle emerging as a threat to urban forests in Greater Toronto Area and Vancouver

substantial economic costs of invasive species

- cumulative damage costing agricultural and forestry industries CAD\$7.5B annually
- economic losses in Manitoba due to Dutch elm disease estimated at CAD\$30M
- damage to waterway infrastructure caused by zebra mussels in the Great Lakes estimated at over CAD\$1B

drastic environmental costs

- in 2002, 24% of all species at risk in Canada were threatened with extinction by invasive alien species
- introduction of invasive species can alter habitats and ecosystem functions, including nutrient cycles, natural fire regimes and hydrology

species loss continues to threaten Canada's wildlife and ecosystems

Committee on the Status of Endangered Wildlife in Canada identifies 529 plant and animal species-at-risk

- since European settlement, 12 Canadian species have become extinct
- further 15 species are no longer found in Canada

habitat loss and degradation, particularly land conversion for agriculture, industry and urban development, is the single leading factor responsible for endangerment of species

- other factors include environmental contamination, over harvesting, invasive species and disease
- human interference pushing species extinction far beyond natural rates

The Polar Bear: Species of Special Concern



Source: *Hinterland Who's Who*, 2002



Environment



CANADA

Crime and the environment

environmental crime is a growing issue

diverse set of offences witnessed

- trade in endangered species; illegal harvesting of flora, fauna and minerals; dumping of waste (e.g., hazardous and/or household)

there is limited data regarding the scope of environmental crimes in the country

- however, reports indicate evidence of some involvement of organized crime in environmental crimes

deep-sea oil dumping is a growing concern

- estimated 300,000 seabirds killed each year off the coasts of Newfoundland by waste oil dumped at sea
- Government of Canada unveiled Dash 8 aircraft outfitted with surveillance equipment to detect deep sea oil dumping in December of 2006

significant profits and financial incentives drive environmental crime

- increasingly rare and endangered products fetch highest prices on the black market (e.g., Bear's gallbladders)

severe environmental impacts of some crimes

illegal drug laboratories

- one-pound of meth yields between 5-6 pounds of toxic waste; ecstasy labs produce almost double this amount
- toxic and even carcinogenic waste is poured down toilets, dumped on the ground, or deposited directly into waterways
- long after the labs are destroyed, toxic waste remains present and active for many years; vapours are absorbed by wall and floor surfaces while chemical ingredients may be found on flat surfaces

counterfeit products carry concerns

- recent shipments of counterfeit batteries have been found to contain 5 times the legal level of mercury; numerous reports indicate that batteries have exploded, overheated or leaked

Environmental crime has not, in general, registered as a serious issue in Canada. However, the current heightened level of interest in environmental issues provides an excellent opportunity to raise awareness and educate the general population and public officials about these issues and seek the necessary resources to effectively understand and combat crimes of this nature. This is particularly important given that:

- effects of environmental crime can be felt at the social, economic and ecological levels and can negatively impact livelihoods and people's health, safety and sense of well-being;
- impacts are not limited to the immediate area in which the crime was committed and can have repercussions for an entire country, region and/or the globe (e.g., elimination/significant reduction of a species); and,
- research has shown that detecting and investigating environmental crime is difficult (e.g., lack of visible and immediate effects, methods utilized) and requires dedicated resources, commensurate investigation experience, and working in partnership across jurisdictions at home and abroad.



Public Safety & Security

The evolving threat of terrorism remains a significant threat to global security. However, several other types of crime are also drawing considerable attention internationally, particularly counterfeiting and Intellectual Property crime, child sex abuse, illegal migration and trafficking for sexual exploitation.

Canadians continue to view their country and the world as increasingly dangerous, but are feeling more secure in their own communities. The alleged home-grown plot to inflict damage on several southern Ontario sites highlights once again that Canada is not immune from a terrorist attack. While scrutiny of police continues to intensify, Canadians on the whole continue to trust the police who serve them.

CRIME SCENE DO NOT ENTER



Public Safety & Security



GLOBAL

Global conflict declines

dramatic decline in armed conflict in post cold war era

long-term decrease in number of armed conflicts and resulting casualties

- 40% decline in conflicts since 1992; on average, 600 persons killed in a conflict today compared to 38,000 in 1950
- decline attributed to higher levels of international success in negotiating peace and preventing wars from reigniting, and increased support for post-conflict reconstruction

crime is now seen as the greater threat; more people fear violent crime than terrorism and war

- globally, 27% of the population see criminal violence as greatest threat; terrorism (15%) is second, followed by health and economic threats (13%), accidents/natural disaster (12%) and war (8%)

however, conflict has not disappeared and its nature is changing

most existing conflicts are low-intensity struggles fought using light weapons within poor countries

- conflict within states now accounts for over 95% of all conflicts; about 90% of casualties are civilians

a resurgent Taliban is destabilizing security situation in Afghanistan

- growing NATO losses from conflict – over 200 deaths in 2006 alone
- attacks are closing schools, disrupting development projects, inhibiting anti-narcotics campaign and intimidating civilians; Afghan government has little control over local strongmen

stability in Iraq is continuing to prove elusive; improvement not expected in short term

- despite – and in part because of – presence of US-led coalition forces, sectarian and ethnic conflict is growing; situation is now characterized as civil war
- escalating Sunni/Shiite conflict is claiming civilian lives – widely varying estimates (low of about 50,000 to more than 100,000)

Darfur conflict is no closer to resolution

- conflict between Sudanese-supported Janjaweed and the Abbala has claimed as many as 500,000 lives; countless numbers are living in squalor in refugee camps

The struggle between Shi'as and Sunnis is becoming increasingly violent in Muslim-dominated countries that have significant numbers of followers of both denominations. The tension and violence of the rival sects is particularly evident not only in Iraq, but also in Pakistan, Turkey and Lebanon. There is a significant potential for the spread of such internecine violence to Western countries, including Canada, that have significant populations of both Shi'as and Sunnis.

US and Iraqi soldiers during a street battle in Ramadi



Source: Associated Press, 2006



Public Safety & Security



GLOBAL

Terrorism is a continuing threat

more casualties from terrorism than any other type of conflict

majority of incidents since 9/11 have been concentrated in Muslim-dominated countries

- American government estimates about 19,000 deaths worldwide from non-state “terrorist” attacks on civilians between 9/11 and end of 2005; most victims were Muslim; US estimates are likely far short of actual number

Islamist extremist groups and individuals pose greatest terrorist threat worldwide

motivated by a political ideology rooted in a deeply conservative Islamic worldview; prepared to achieve objectives through violent means if necessary

- however, a variety of groups exists worldwide with many different backgrounds, nationalities and goals

numerous local and international factors motivate extremists

- economic stagnation, repressive regimes, high level of corruption and slow pace of reform in many predominantly Muslim countries
- unresolved Israeli-Palestinian conflict and pervasive anti-US and Western sentiment
- Iraqi conflict is cause celebre for jihadists; breeding deeper resentment of Western countries, especially the US; providing a training ground for insurgents

targets are diffuse and evolving

- e.g., officials and institutions of secular Muslim countries (e.g., Egypt and Syria); Israeli and Jewish targets around the world; individuals and infrastructure in “Christian” countries (e.g., North America, United Kingdom and Europe); and rival Muslim sects
- increasingly seeking softer, more accessible targets

Islamist terrorist groups are becoming more dispersed and less centralized

- media and governments often use “Al Qaeda” as a shorthand to refer to Islamist terrorists; while many groups continue to be inspired by Al Qaeda actions and ideology, they often have no direct ties to Al Qaeda
- trend toward small, loosely connected cells, inspired by radical Islamic ideology; do not report directly to a central command structure
- generally less capable than Al Qaeda, but more unpredictable
- seek to carry out major terrorist strikes to inflict large-scale damage and loss of life; however, greater likelihood of smaller attacks

OTHER TRENDS IN ISLAMIST TERRORISM

- Decrease in the average age of new recruits
- Greater roles for women and non-Muslims
- More near-simultaneous coordinated attacks with follow-up attacks on first responders
- More unclaimed terrorist acts (i.e., stealth terrorism)

Source: Raphael Perl, “Trends in Terrorism: 2006”, CRS Report for Congress



Public Safety & Security



GLOBAL

Terrorism is a continuing threat...

development/acquisition of nuclear weapons by terrorists remains a concern

Islamist terrorists have indicated an interest in acquiring and using nuclear weapons

- however, experts believe that the greatest threats are still conventional weapons and tactics (e.g., suicide bombers and Improvised Explosive Devices)

terrorist production of nuclear weapons seems improbable for foreseeable future; however, capabilities may be facilitated through alienated, entrepreneurial or sympathetic individuals of a national nuclear program or clandestine transfer from some countries

experts believe significant obstacles currently prevent terrorist use of biological weapons or 'dirty bombs' to produce mass casualties

non-Islamist terrorist groups tend to be more focused on local targets

attacks from groups such as Tamil Tigers, Shining Path, Revolutionary Armed Forces of Colombia (FARC) and Kashmir terrorist organizations usually have been on targets in their home or neighbouring countries

- broader activities of these groups tend to be fundraising and mobilizing among diaspora
- Irish Republican Army (IRA) and Euskadi Ta Askatasuna (ETA) appear to have moved to political means, rather than violence, to achieve objectives (though the December 2006 Madrid bombing may be indication of ETA's return to violent methods)

PROGRESS IN FIGHTING TERRORISM

The Al Qaeda terrorist network has been weakened in recent years, with counter-terrorism efforts successful in eliminating their safe-haven in Afghanistan. An estimated two-thirds of the leadership cadre has been killed or captured; organizational and funding networks have been disrupted to a significant extent. Counter-terrorism efforts have shifted to individuals and groups inspired by Al Qaeda. However, there are some recent indications of a recovery underway, with increased Al Qaeda strength noted in North America and Afghanistan. There is also some fear of a "blow back" from the conflict in Iraq, with insurgence-hardened radicals moving elsewhere to wage violent campaigns.

Terrorist use of weapons of mass destruction is one of the gravest threats today to the world community. The threat is real. The consequences would be enormous... Fundamental aspects of contemporary life – including cross-border trade, international travel, financial markets and open borders – would come to a halt. Across the world, those who live in prosperity would suffer. Those who already suffer in poverty would face a bleaker future. Some may consider the probability of nuclear terrorism to be fairly low... But the consequences of nuclear terrorism... would be so great that it would be irresponsible not to do everything we possibly can, now, to avoid this horror.

Source: Gregory Schulte, US Ambassador to UN in Vienna and to the IAEA, November 8, 2006



Public Safety & Security



GLOBAL

Terrorism is a continuing threat...

apparent decline in state sponsored terrorism

Iran, Syria and Pakistan are the only countries reportedly still funding, supplying and supporting terrorists

- Libya fulfilling commitments to refrain from terror sponsoring and development of weapons of mass destruction (WMD)

most governments have taken major steps to cut off terrorist funding (e.g., freezing bank assets) and funding from governments has decreased dramatically

terrorist organizations use a variety of means to finance activities

activities include fundraising from supporters abroad and through charities, legitimate businesses activities and criminality, and moving money through alternate remittance systems (e.g., *hawala*)

many terrorist groups behave like organized criminal groups

- use organized crime methods and processes (e.g., trafficking in narcotics, counterfeit goods, illegal migrants, involvement in other criminality; use of front companies and fake charities)
- terrorists' involvement in criminal activities dates back to 1970s

THE INTERNET – A KEY TOOL FOR TERRORISTS

Terrorist groups find the Internet to be highly resistant to counter-terrorist measures. This medium also provides a cheap and effective way to communicate, recruit, train and transfer knowledge and tactics (e.g., kidnapping, production of IEDs etc.) with lower risk of personal contact. Terrorists also appear to find it an effective means for rallying sympathizers and increasing awareness about issues of concern.



Public Safety & Security



GLOBAL

Domestic radicalization

domestic radicalization is a growing phenomenon

responsible for a number of high profile incidents

- e.g., transit attacks in London (July 2005), plot to bomb planes leaving Heathrow (August 2006), planned attacks on Ontario targets (June 2006)

Muslim communities in Western countries providing fertile recruiting grounds

MI5 in Britain has identified more than 1,600 individuals belonging to about 200 networks in the country alone

difficult to profile – motivated by religious, political, economic and social factors

- isolated and disadvantaged migrants, but also well-integrated, professional and converted Muslims
- individuals with no previous criminal records; however, some recruitment occurring in correctional facilities
- some radicals feel need to prove commitment to Islam by adopting extreme religious interpretations and carrying out violent acts
- motivated by perceived mistreatment of Muslims in Palestine, Iraq, Afghanistan, Lebanon and elsewhere

vast majority of Muslims do not support terrorist attacks, but a minority have some sympathy

- in a recent poll, about 1 in 7 Muslims in France, Spain, Britain and Germany agreed with the statement that “violence against civilian targets in order to defend Islam” can “often” or “sometimes” be justified

Illegal immigration presents far less of a terrorist threat than its legal counterpart...

Source: Ernst Uhrlau, President, German Federal Intelligence Service (BND), November 2006

DIFFERENT APPROACHES TO TERRORIST INVESTIGATIONS

British law enforcement investigations of terrorist group resemble those relating to organized crime groups. The preference is to allow intelligence-led investigations to continue as long as possible, enabling the capture of entire networks. For the US, arrests, disruption and prosecutions take precedence, with the primary objective of preventing terrorist incidents from occurring.



Public Safety & Security



GLOBAL

Securing critical infrastructure

global focus on ensuring the security of critical infrastructure (CI)

emphasis due to a variety of real and potential threats

- economies and well-being are dependent on increasingly complex and interconnected CI networks (e.g., transportation, communications, information technology, energy and utilities)

CI has been a target of terrorists; more attacks are expected in the future

- several high profile incidents in recent years – subways, trains, buses and ferries in Russia, United Kingdom, Spain, India, Philippines attacked between 2004 and 2006

natural disasters and accidents can also have a significant impact

- total of USD\$204B lost worldwide in 2005 due to damages from weather-related disasters
- accidental gas leak in Bhopal, India in 1984 killed 2,000 people and injured 300,000

energy and transportation networks particularly vulnerable to terrorist attacks

diffuse nature make them very difficult to protect

- open and readily available transit systems are key to successfully functioning cities

large numbers of people in terminals, stations and transit vehicles make mass transit terrorism attractive

- oil/gas facilities and employees (e.g., in Saudi Arabia and Yemen) have been attacked recently

significant challenges in mitigating risks

security was generally a secondary consideration in network development

- focus was on optimizing profit, efficiency and service

responsibilities for CI security are typically shared among jurisdictions, departments and law enforcement agencies

significant private ownership of CI systems/networks

contingency plans and partnership are seen as key

CI security dependent on leveraging risk management, intelligence, technology, training and security awareness

- business continuity planning, back-up systems development and simulated disaster exercises feature in most countries' CI security strategies
- private/public/international partnerships, information sharing is vital

Modern societies face a cruel paradox: fast-paced technological and economic innovations may deliver unrivalled prosperity, but they also render rich nations vulnerable to crippling, unanticipated attacks. By relying on intricate networks and concentrating vital assets in small geographic clusters, advanced Western nations only amplify the destructive power of terrorists and the psychological and financial damage they can inflict.

Source: T. Homer-Dixon, "The Rise of Complex Terrorism", Foreign Policy (Jan-Feb. 2002)



Public Safety & Security



GLOBAL

Transformation of organized crime continuing

expanding scope and activities on a transnational scale; involved in eclectic and sophisticated array of activities

FBI estimates that organized crime (OC) groups worldwide reap net profits of close to USD\$1T per year

OC groups posing biggest threat typically involved in more than one type of crime

- drug trafficking still mainstay of OC activity, but continued expansion into other criminal areas (e.g., money laundering, trafficking of nuclear material, intellectual property (IP) crime/counterfeiting, Internet fraud and illegal migration)

increase in related criminality and violence to support activities (e.g., political assassinations, intimidation and corruption of judicial systems and governments)

exploiting conditions created by war and political instability (i.e., kidnapping for profit, trafficking in humans, smuggling of oil, diamonds and weapons)

structure of organized crime groups now less rigid than in the past

traditional organizational structures (i.e., hierarchical, defined roles, long-standing alliances) continuing to give way to loose and sprawling networks pursuing strategic, fluid alliances

making use of 'service providers' with specific skills, specializations (e.g., false documentation, transportation)

grey area between legitimate and criminal enterprises and activities continues to grow

- criminal organizations could not function without involvement of 'legitimate' professional and systems (e.g., lawyers and accountants)
- seek opportunities to legitimize themselves by penetration and/or controlling key political, social and economic sectors

many major OC groups have significant capabilities

excellent understanding of criminal markets

- able to quickly switch commodities, routes, methods
- often quick to exploit opportunities provided by new technology

highly adaptive to law enforcement measures; exploit weaknesses in justice system; corrupt public officials (e.g., police officers, judges)

manage risk by threatening and/or using violence; transferring risk to others (e.g., lower-level criminals and mules)

experts have identified a number of groups deserving of international attention

- e.g., Chinese Triads, Colombian cartels, Russian criminal groups, Japanese yakuza, Sicilian mafia and West African groups



Public Safety & Security



GLOBAL

Transformation of organized crime continuing...

obtaining reliable information on organized crime across jurisdictions can be difficult

common definition remains elusive; many different legislative policies and policing strategies are utilized across globe

growing international consensus, however, on need to focus on groups' money laundering activities

objective of taking away the resources of criminal groups by focusing on proceeds of crime

International Monetary Fund estimates USD\$1.5T laundering annually (2-5% of global Gross National Product)

- large percentage of money filtered through offshore banks (e.g., Cook Islands, St. Kitts and Nevis) and established financial centres (i.e., London, New York, Zurich)
- however, little is known about the laundering methods used by some organized groups

numerous regions/countries currently re-examining anti-organized crime strategies

- e.g., European Union, Northern Ireland and Victoria, Australia

The cooperation among organized criminal enterprises in recent years has allowed them to greatly increase the scope and magnitude of their illicit activities. Our world has seen widespread and unprecedented political, economic, social and technological changes in the last two decades. Organized criminal enterprises have been quick to take advantage of the opportunities created by these changes to satisfy their greed and lust for power.

Source: "Organized Crime", www.fbi.gov, 2006

MORE INTEGRATED APPROACH TO FIGHTING ORGANIZED CRIME

The Serious Organized Crime Agency (SOCA) was launched by the British government in April 2006. SOCA is an FBI-style agency bringing together the powers of police, immigration and customs officers; there are currently 4,000 members.



Public Safety & Security



GLOBAL

Illicit drug industry remains immensely lucrative

among the world's most profitable enterprises

an estimated USD\$500B is grossed annually

- larger than global oil and gas industry, and twice that of the auto industry
- SOCA reports that drug trafficking poses single greatest threat to UK

strong links identified among narcotics industry, money laundering and international organized crime activities

global production of opium and heroin continues to decrease

situation due largely to 85% decrease in production in tri-border region of Myanmar, Thailand and Laos between 1998 and 2006

however, opium poppy cultivation in Afghanistan hit record levels in 2006

- harvest up by more than 40% over 2005; narcotics industry supplies as much as half of Afghanistan's Gross Domestic Product (GDP)
- United Nations Office on Drugs and Crime has advised European authorities to expect surge in heroin supply and abuse
- deteriorating Afghan security situation seriously hampering counter-narcotics efforts (e.g., insecurity, violence, and corruption among provincial, police and government officials is hindering eradication; Taliban are protecting opium farmers and traffickers)

potent forms of marijuana becoming more popular; potency level doubled in last decade

increases due to improved breeding, rediscovery of simsemilla technique and application of greenhouse technology

however, majority of cannabis still cultivated through traditional low potency methods

various sources for most 'popular' drugs

South America continuing source of globe's cocaine supply

- in 2005 Colombia produced majority (54%) of world supply; Bolivia and Peru are other key source countries
- main transit routes are through Caribbean and Mexico to North America; through Caribbean and Africa to Europe

South American countries are taking alternative approaches to cocaine production/industry

- resisting aggressive US approach to eradication
- Ecuador no longer allows fumigation of coca fields; Bolivia almost doubling area available for legal planting of coca

Europe continues to be largest ecstasy production centre, but now has more rivals

- significant recent production increases in North America, South-East Asia, Australia and New Zealand and parts of Africa and South America



Public Safety & Security



GLOBAL

Counterfeiting is big business

fakes and knock-offs are widespread and readily available

International Chamber of Commerce estimates intellectual property/counterfeit crime constitutes at least 7% (more than USD\$500B) of global trade annually

wide variety of fakes are being produced and sold, including clothing, automotive parts, cigarettes, alcohol, currency and luxury goods

China believed to be source country for largest volume of counterfeits overall

- 66% of United States and European Union seizures in 2005 related to Chinese-origin goods
- other major source countries include Russia, India, Pakistan, Hong Kong, South Korea, Pakistan, Mexico, Malaysia, Switzerland and Thailand

counterfeiting of electronic consumer goods is particularly prevalent

software piracy appears to have stabilized, but it is still widespread

- IDC – an international information technology company – study estimated value of fake software at USD\$34B in 2005; 35% of total software sales
- IDC study also found that pirated software represents more than 64% of legitimate sales in half of the 97 countries surveyed

suspected counterfeits were identified in at least a dozen booths at Consumer Electronics Show (Las Vegas, January 2006)

World Health Organization estimates that 10% of global medication is fake

more than 50% of medication is estimated to be counterfeit in some South-East Asian and African countries

- most are of drugs to counter serious diseases and infections (e.g., malaria, HIV/AIDS); in many cases, the correct ingredients are not in sufficient quantities or absent altogether; sometimes, the fakes are toxic

also affecting developed countries

- counterfeit Tamiflu discovered in United Kingdom, Netherlands and United States in early 2006
- five incidents in United Kingdom in past two years of counterfeits sold at reputable drug stores – suggests that pharmaceutical companies have been infiltrated by counterfeiters

ECONOMIC CRIME CONTINUES TO BE A SIGNIFICANT CONCERN WORLDWIDE

In 2005, the RCMP completed a scanning document highlighting trends in economic crime from both the global and Canadian contexts. The document is available on the RCMP's website (www.rcmp-grc.gc.ca). A number of the issues identified in this report continue to hold true: the manufacture of counterfeit products and associated Intellectual Property crimes continues to create economic losses and threatens the health and safety of citizens; money laundering continues unabated as it facilitates many types of criminal activity; and identity theft remains a serious and growing issue.



Public Safety & Security



GLOBAL

Illegal global movements of people

significant volume of illegal migration worldwide

illegal migration from Africa is a growing concern for European countries

- annually more than 300,000 Africans – primarily from North Africa – attempt to enter Europe illegally; about two-thirds succeed
- organized crime groups involved in facilitating about 80% of this movement

United States continues to be a magnet for illegal migrants

- estimated 11-12M unauthorized immigrants in the country; more than twice as many as 1993
- vast majority are Mexican nationals, but also originate from other Latin American, countries, Africa, Asia and Middle East

human smuggling to the US is becoming more profitable

- average fee paid by migrants to smugglers quadrupled from 1995 to 2004
- US Federal Bureau of Investigations (FBI) estimates that illegal migrant flow generates USD\$6-9B annually for smugglers

continuing US fear that terrorists may use migrant routes to enter illegally

- sparked recent moves to deploy more forces to border security, construction of barriers
- southern border receiving greater attention, but increasing concern about northern border with Canada

widespread trafficking for sexual exploitation and forced labour

American government estimates that 600,000-800,000 people are trafficked across borders every year

- countries in Africa, Asia and Eastern Europe are primary source countries; North America, Western Europe and Asia are primary destinations
- organized crime involved at least in part in most trafficking

much higher number of people – estimated in the millions – are trafficked within countries

females account for approximately 80% of trafficked victims

- most identified cases involve women and children trafficked for sexual exploitation
- upwards of 50% of all trafficked persons are younger than 18 years old

men are trafficked primarily for forced labour

Human smuggling has implications for national security (e.g., terrorists have been known to use any means possible to access target countries), levels of criminality, international relations, border security and public health (e.g., people not screened against the appropriate selection and control requirements) to name a few. Human smuggling investigations are resource-intensive, time-consuming and require the collaboration of a number of agencies at home and abroad.

Criminal networks which smuggle human beings for financial gain increasingly control the flow of migrants across borders. Due to more restrictive immigration policies in destination countries and improved technology to monitor border crossing, willing illegal migrants rely increasingly on the help of organized people smugglers.

Interpol Fact Sheet "People Smuggling", 2006



Public Safety & Security



GLOBAL

Sexual abuse of children is a continuing challenge

new technology is fostering sexual exploitation

problem was diminishing prior to 1990s tech boom

- production of child sex abuse images was expensive and risky; hard for predators to interact with each other and their victims

easy and anonymous transmission of child sexual abuse images possible online; Internet also facilitates sexual abuse

- several million images available on Internet at any given time; estimated 500 new sites created each day; worldwide revenue of more than CDN\$1B each month (2006 estimates)
- online chat rooms and bulletin boards facilitate contacts among perpetrators and between perpetrators and children
- 2006 Youth Internet Safety Survey found that 13% of US kids aged 10-17 received unwanted sexual solicitation online

predators are increasingly technologically advanced

using high tech knowledge to cover tracks, hide child sexual abuse websites and conceal identity

- employing innovative means to lure and groom victims (e.g., using youth online social networking sites)
- attempting to find legal grey areas (e.g., sites with children covered with small pieces of clothing)
- using latest technologies to store high volumes of child sex abuse images, and to download and exchange images with less risk of detection and prosecution

investigations are more difficult/complex

policing organizations around the globe are increasingly monitoring chat rooms and file-sharing networks to detect predators

investigators are always playing catch-up due to technology and evolving methods; requires highly trained and motivated officers

- Internet investigations are international in nature, with jurisdictional impediments; possession and distribution of child pornography not a crime in some countries
- known organized crime involvement, but extent less clear than in other types of crime

RECENT PROMISING CANADIAN INITIATIVES AND ACTIONS

- The Child Exploitation Tracking System (CETS), launched in 2005, was developed in partnership with Microsoft Canada, the RCMP and the Toronto Police Service to provide Canadian law enforcement with a set of automated tools and technology to assist pedophile investigations. Toronto Police claims CETS has already contributed to 64 arrests worldwide. Police in UK, Italy and Spain are now poised to implement the system.
- In Fall 2006, Internet service providers servicing the vast majority of Canadian Internet subscribers installed filters – Project CleanFeed – to block known child exploitation websites.
- In 2005, for the first time, Canadian courts convicted a man for sex crimes committed against children during a visit to another country (so-called ‘sex tourism’).



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GLOBAL

Under the microscope

intelligence agencies face credibility gap and increased scrutiny

past failures continue to cast shadows

- gaps and misuse of intelligence in US believed to have contributed to inability to prevent 9/11 attacks and failure to conclude that Iraqi WMD program was moribund
- intelligence problems in Britain (e.g., overlooked home-grown terrorist threat prior to 7/7 attacks; several uninvolved Muslims arrested based on incorrect intelligence information; less than 3% of arrested terrorist suspects convicted)

current threat environment poses large challenges to intelligence agencies

Islamist terrorist threat is dynamic and subject to constant change

- volume of information often overwhelming; picking 'needle from haystack' difficult
- knowledge that terrorists intend to attack has increased tendency to rely on single, credible informants and incomplete information
- despite attempts to improve intelligence sharing, inter-agency communication problems remain; a key obstacle is lack of interfacing systems and interoperability

MEASURES TO IMPROVE INTELLIGENCE QUALITY IN THE UNITED STATES

- In April 2006, The Office of the Director of National Intelligence launched the "Intellipedia" system to facilitate information sharing among US intelligence analysts. Based on the 'Wikipedia' concept, analysts use a secure system to update and refine analyses and assessments collectively. In October 2006, Intellipedia enabled analysts to conclude within 20 minutes that a plane crash in New York was not a terrorist attack.
- Since 2000, there has been an increased focus on developing and using human intelligence sources (HUMINT). In the 1990s, there was more emphasis on 'signals intelligence' (SIGINT). Over-reliance on electronic surveillance and other forms of SIGINT is now widely judged to have contributed to recent US intelligence failures.



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GLOBAL

Societal changes are testing police

increasingly diverse ethnic and racial make-up of developed countries is posing challenges

significant tension and mistrust exists between police and ethnic minorities in many Western countries

- accusations of racist police officers, 'institutionalized' racism in recruitment policies, police approaches, etc.
- some well-publicized allegations of police profiling and mistreatment of visible minorities during arrests and in police custody
- immigrants from countries where police are held in low esteem often distrust police; many unwilling to report crimes or provide information

some attempts have been taken to reduce tension and mistrust

- investigations and enquiries conducted into specific cases of alleged mistreatment; enquiries conducted to probe charges of systemic racism; 'sensitivity training' for officers; relationship building between law enforcement and minority communities

some critics believe these measures are insufficient or only first step in long and complex process of "reforming" police

VIOLENT CRIME ON THE RISE IN THE UNITED STATES

After eight years of relatively flat rates, violent crime appears to be increasing. Between 2004 and 2005, homicides increased by 3.4%, robberies by 3.9% and aggravated assaults by 1.8%; these increases reflect the largest year to year percentage rises in 14 years. Early data for 2006 suggests that crime rates are continuing to increase. Police reports also suggest that there has been an increase in crimes committed for no apparent reason or due to minor disagreements. The hardest hit appear to be mid-sized cities such as Baltimore, Charlotte, St. Louis, Oakland and Milwaukee.

Experts believe that fewer officers on the streets are contributing to the increase; mid-size cities have 25% fewer officers now than in 2001 (in part due to high numbers of officers called up for military service in Iraq). Other contributing factors include the unusually large number of parolees (recidivism rate of about 50%). Cities experiencing increases in unemployment are reporting significantly higher crime rates.

BROKEN WINDOWS DEBATE

The debate continues over the merits of the 'Broken Windows' approach to policing. First articulated in the early 1980s, the approach focuses on strict enforcement of litter, panhandling and prostitution offences to reduce rates for major crime. This approach has been used in several US cities for years including New York City and Los Angeles. Recently, Boston and Denver adopted such zero tolerance policies.

There are those who argue that the approach has had no real impact on crime rates and wastes officers' time on low-level crime instead of more serious offences. However, others argue that zero tolerance policies create an atmosphere in communities conducive to lowering crime.



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GLOBAL

Law enforcement organizations are seeking new talent

evolving operating environment requires increased number and diversity of recruits

law enforcement organizations in developed countries are facing a number of key challenges

- fulfilling both community policing and national security roles
- new technology requires complementary skill sets and competencies
- ensuring a representative police force (e.g., police departments in the UK must meet government target of 7% of officers from ethnic minority groups by 2009)

many police departments are dedicating increasing resources to recruitment campaigns

- some departments are offering transfer bonuses or increased salary and benefits packages to attract recruits away from other departments

number of challenges to recruiting

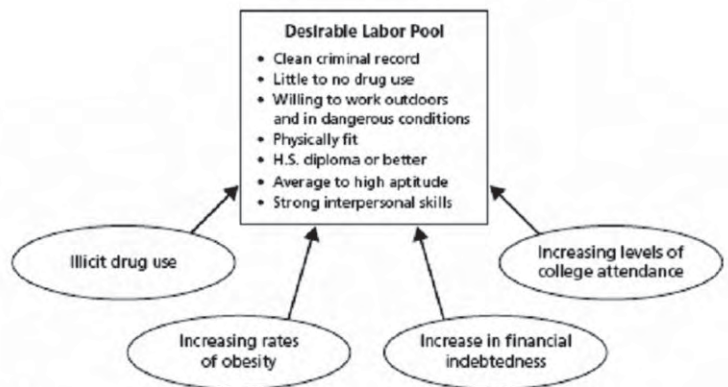
growing competition from other agencies for qualified candidates (e.g., other police forces, national security agencies, private security firms and the military)

- South Australian Police actively recruiting officers from the UK to fill recruitment shortages
- Los Angeles Police having difficulty meeting 1,000 officer recruitment target

shifting supply of qualified candidates

- overall lack of qualified candidates
- demographic and social trends shrinking the candidate pool (e.g., growing rates of obesity; experimentation with illicit drugs among some youth is disqualifying some applicants)

large-scale retirement of baby boomers is exacerbating recruitment shortfall



Source: *Police Personnel Challenges after September 11*, RAND, 2005



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CANADA

Changing threat perceptions

Canadians view the country and the world as increasingly dangerous

approximately 40% of Canadians now believe the country is more dangerous than five years ago; up from 30% in 2004

- 48% agree that a terrorist attack on Canada is inevitable (EKOS Research Associates, August 2006)

approximately 60% believe world is more dangerous than 5 years ago

- 40% cite terrorism as main cause; rise in crime and violence selected by about 15% (EKOS Research Associates, October 2006)

however, Canadians feeling more secure in their communities

- 15% describe crime in their neighbourhood as problematic; lowest recorded level in 25 years
- 21% fear walking in neighbourhood at night, down from 28% in 2001

Canadians choose safety over protection of civil liberties

- since 2004, surveys reveal consistently that Canadians lean towards public safety over civil rights by about 3:2 margin
- however, vast majority (80%) believe government needs to find the right balance (EKOS Research Associates, October 2006)

some experts believe the public's fear is disproportionate to actual risk

globalization of terrorist threat and media coverage create perception of continuing vulnerability

- resulting zero tolerance for terrorist attacks
- creates the "homeland security dilemma" – the more security is provided, the more it is demanded

The external world has become increasingly frightening in a vague, yet threatening manner, with issues such as strange viruses (like SARS) and geopolitical instabilities involving a generalized sense of dread. The most fearful aspects of Canadians' lives appear to be the unfamiliar, vague global threats that evade their personal locus of control. This generalized sense of a more dangerous world coexists with evidence that specific risky events (such as crime or nuclear disaster) are perceived as less threatening than they were five or ten years ago.

Source: Christopher Leroy, "Threat Perceptions in the United States and Canada", Woodrow Wilson International Center for Scholars, October 2005



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CANADA

Canada is not immune from a terrorist attack

Al Qaeda has identified Canada as a potential target on several occasions

some commentators suggest terrorist threat may have risen recently due to Afghanistan mission and the government's increased support for Israel

large number of international terrorist groups operating in Canada

situation due to proximity to the US, openness of country, and large number of migrants from all corners of the planet

- Canadian Security Intelligence Service has reported that "with the exception of the US, there are more terrorist groups active in Canada today than in any other country in the world"
- vast majority of immigrants are law-abiding, but small number maintain ties to terrorist groups operating in Canada and abroad

diverse list of terrorist groups are operating in Canada

- Islamist Shiite and Sunni groups (e.g., Hizballah, Hamas, Islamic Jihad and Egyptian Islamic Jihad)
- Tamil Tigers, Kurdistan Workers Party, Provisional IRA, Babbar Khalsa and International Sikh Youth Federation

most efforts of terrorist groups in Canada are in support of activities abroad

- majority of time and resources dedicated to fundraising within ethnic community in Canada; sometimes by coercion
- also involved in procurement of weapons and material, mobilization of immigrant communities and lobbying of governments

The events of September 11, 2001 were a wake-up call, not just to Americans but to Canadians and other free and democratic nations... We recognize that we are not immune from the scourge of such barbaric acts...

Source: Canadian Ambassador to the United States, Michael Wilson, May 2006



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CANADA

Canada is not immune from a terrorist attack...

sharpened fears of extremism arising from domestic radicalization

recent events have increased attention of law enforcement and the general public

alleged plot to carry out major terrorist attack on targets in southern Ontario was disrupted by an RCMP-led team in June 2006

- 18 people arrested in Toronto and surrounding areas; all suspects are Muslims born in Canada or long-time residents
- charges against the accused include conspiracy to carry out terrorist activity, training for terrorist purposes, bomb making and illegal importation of weapons and ammunition

potential perpetrators appear to fit international home-grown terrorist profile

- generally young (mostly under 35 years of age) and male
- typically believe in highly ideological / politicized brand of Islam, often acquired in late teens, early 20s; includes some recent converts to Islam
- variety of ethnic backgrounds, including Middle Eastern, African and South Asian
- no apparent connection to Al Qaeda, although influenced by network's ideological message
- most have not attended a terrorist training centre
- perceive worldwide oppression of Muslims; believe terrorism is a justified response

many influenced/recruited by charismatic spiritual leaders with extremist views

- many reported cases across Canada of terrorism promotion in Mosques

"Canadianness" makes detection difficult



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CANADA

Canada is not immune from a terrorist attack...

The arrest of 18 suspects in Southern Ontario highlighted the issue of domestic radicalization in Canada, which has many impacts and consequences for the RCMP:

- each investigation has different timelines, resource requirements and necessitates different approaches. However, larger conspiracies are often highly complex and investigations require high numbers of assigned officers;
- investigations frequently have a significant international component since the suspects often have ties to terrorist individuals and groups abroad. It can be a challenge to obtain evidence from other countries in formats acceptable to Canadian courts, but the challenge is greater with countries with records of human rights abuses. Before initiating contacts with such countries, investigators have to weigh the importance of the potential evidence available against the negative factors that may be associated with the evidence;
- once charges are laid, significant police resources are needed, particularly in complex cases – one of the most significant tasks is disclosure of the case to the defense. Since *R. vs Stinchcombe*, complete disclosure (with some permitted exemptions) of the police investigation and the Crown's case is required, which can involve monumental amounts of material in large cases. As per Section 38 of the *Canada Evidence Act*, sensitive material, the disclosure of which would be injurious to international relations, defence or national security is exempt. To obtain exemption, however, requires following a detailed process, often requiring extensive officer effort and resources;
- investigations involve extensive and ongoing interaction with many other interested parties (including Integrated National Security Enforcement Team [INSET] partners, Department of Foreign Affairs and International Trade [DFAIT] etc.) Senior levels of the Government of Canada are keenly interested, due to the high profile nature of the threat, and since a key terrorist objective is to influence government decisions. The legal complexities of these cases necessitate extensive interaction with Department of Justice lawyers. Ongoing communication with the community is also key to ensure mutual understanding and mitigate the possibility of backlash; and,
- experience in other countries and in Canada suggests that convictions should not be expected as a matter of course in these cases (e.g., less than 3% of British suspects arrested on terrorism-related charges since 2001 have been sentenced; there have also been recent acquittals in domestic courts in large-scale cases). Complex cases typically involve presentation of large volumes of different types of documentary, oral and forensic evidence, providing many opportunities for inconsistencies and gaps in evidence to emerge.



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CANADA

Critical infrastructure is vulnerable

threats to CI are possible from a wide range of actors and events

terrorists are known to be targeting CI in Canada

climate change is expected to increase frequency and severity of extreme weather events

impact of incidents could be large

- population, infrastructure and wealth is increasingly concentrated in a small number of highly vulnerable areas
- society and economy are dependent on interconnected and complex CI networks
- infrastructure is aging and is increasingly susceptible to damage

flu pandemic could kill thousands of people, temporarily disable many more

many experts consider serious flu pandemic "overdue": most serious in last century occurred 1918/19, 1957/58 and 1968/69

current fears that deadly H5N1 bird flu virus will mutate, permitting human-to-human transmission

- to date, some bird to human transmission has occurred, claiming 96 lives worldwide

first responders (i.e., law enforcement, paramedics etc.) could be most affected; could limit their capacity to assist

- disruptions in government services, overwhelmed health care systems possible

energy infrastructure may be at risk

energy network is largely in private hands

- some experts believe they may have under-invested in security

oil platforms are isolated and distant; vulnerable to attack with little access control

intra-jurisdiction challenges to preparedness

emergency preparedness and management is shared among all levels of government, various police forces, non-governmental organizations (NGO) and private sector partners

ensuring interoperability and seamless rapid response remain priorities

- Canadian citizens expect coordinated responses

The gap is widening between the public's perception of what the public safety and security portfolio is and can do. Many people have what has been referred to as a *24 or CSI* mentality in which they expect public safety and security organizations to not only respond immediately to any situation, but also to solve a case or bring order to situations within unrealistic timeframes. Expectations are much greater than any response could be and this may result in higher levels of dissatisfaction if and when expectations are not met.

BIRD FLU BUDDIES

As part of a national pandemic plan unveiled by the United Kingdom's National Health System (NHS) in January 2007, everyone in Britain will be asked to name a relative or friend who would be willing to bring them lifesaving medication in the event of a flu pandemic. If a pandemic occurred, people falling ill could call a helpline: if their symptoms match those of pandemic flu, the "buddy" would collect the medication from a central depot and deliver it. The government believes that the NHS would be overwhelmed if every sick person had to see healthcare staff before receiving antiviral medication.



Public Safety & Security



CANADA

Critical infrastructure is vulnerable...

significant efforts are underway to reduce potential threats and impacts

GOC-led initiatives, involving all levels of government, CI owners and security operators for rail and urban transit, multi-modal transportation, food and health

- provinces and private sector also implementing measures

implementation of lessons learned from previous disasters (e.g., 1998 ice storm, 2003 power blackout, 1997 Red River flood)

- increasing available CI network back-ups
- increasing number and comprehensiveness of contingency and continuity plans in case of CI attacks or outages

Emergency Management Act tabled by Government of Canada in April 2006

updates existing legislation in place since 1985

- aims to strengthen cross-jurisdictional coordination and collaboration in emergency management; recognizes role of governments, NGOs and the private sector in emergency management

Given the interdependencies and connectedness among critical infrastructures, an interruption of any one service could have a cascading effect and disrupt other services or systems. For example, during the 1998 Ice Storm, large segments of rural and urban communities were in the dark and without heat... The disruption in one sector – electricity – affected a score of others, interrupting the delivery of important services upon which Canadians depend.

Source: "About Critical Infrastructure", Public Safety and Emergency Preparedness Canada, 2005

ARE CANADIANS PREPARED FOR A DISASTER?

Recent EKOS public opinion surveys suggest that individual preparedness is slowly improving from previous levels, with a decline in the proportion of individuals reporting no preparedness. When asked in October 2006 "what, if anything, have you or your family done to prepare for the possibility of a catastrophic disaster", 64% of Canadians said they "have done nothing", compared to 76% in September 2005. Only 25% of respondents, however, had stocked up on emergency supplies and a mere 7% had discussed a possible disaster event with their family and established meeting plans. Residents of Quebec remain the least prepared. When asked "how prepared would you say you and your family are to deal with a catastrophic disaster", 50% of Quebecers indicated that they were "not at all prepared", compared to 32% of Canadians overall.

Source: EKOS Research Associates, September 2005 and October 2006

IS THE FOOD SAFE TO EAT?

In 2006, food recalls, and illnesses caused by food poisoning, raised Canadians' concerns about food supply vulnerability. In the first half of 2006, there were 144 cases of contamination prompting recalls, compared to 218 recalls in all of 2005. Worries intensified in late 2006 when E-coli in California spinach killed three in the US and made 200 other people ill across North America, and metal pins were found in a turkey sold in Ottawa.

Despite these incidents, food experts believe that the food chain continues to be very safe. The industry is well-regulated and various safeguards exist to protect food from accidental and intentional contamination. The ever-increasing interconnectedness of food distribution systems, however, means that, when something goes wrong, the impact is more likely widespread.



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CANADA

Critical infrastructure is vulnerable...

Approximately 85% of Canada's critical infrastructure is owned and operated by private companies. Experience to date demonstrates that the development of effective partnerships between government authorities and private CI owners is key to improving CI security as there are limits to what legislation and regulation can influence. Effective public-private partnership facilitates understanding of each other's interests, mutual trust and sharing of information. However, private ownership of CI presents several challenges to government agencies mandated to ensure and enhance CI security.

- Public and private entities bring somewhat differing perspectives to CI protection and incidents. Both have a vested interest in preventing outages, but private companies are more focused on 'business critical' issues such as business continuity and resumption and the cost and benefits of security measures (i.e., return on investment). Additionally, companies sometimes have financial or other barriers that can limit the extent to which they can make necessary investments to improve security.
- Diversity of private sector operations within a sector can make it difficult to establish workable security standards or risk mitigation strategies (e.g., companies often handle security issues in different ways, through different parts of their organizations and with varying levels of priority). Challenges also exist with foreign-owned companies and Canadian-owned companies with operations abroad as they are subject to security legislation and regulations of other countries which may have an impact on their responses to CI threats.
- Government agencies are limited in their ability to share classified information with private interests, while companies are often reluctant to share sensitive material (e.g., information regarding vulnerabilities, security assessments etc.) with government entities and are frequently hesitant to report suspicious or actual security incidents. The private sector fears that its security gaps and vulnerabilities will become public knowledge, thereby undermining trust and their competitive edge. Efforts are currently underway to enable government agencies to facilitate the provision of physical and cyber security information necessary for CI owners and operators to conduct emergency management activities (mitigation, preparation, response, and resumption) and to ensure that information provided by private CI owners can be protected from "disclosure".



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CANADA

Crime rates

crime rates have been relatively stable in the early part of the 21st Century

current overall crime rate of about 8,000 per 100,000 is about twice the rate of the 1960s, but down more than 20% from peak level of 1991

since 2000, rates of violent and property crime have decreased by 4.2% and 8.4% respectively

- other criminal code offences are up 18%

homicide rate in 2005 was highest since 1995

- 2005 rate (2.04 per 100,000) is still lower than peak of 3.03 reached in 1975
- highest provincial rates are in Saskatchewan (4.33) and Manitoba (4.16)

counterfeiting represents large percentage of non-violent criminal offences

- represented 17% of non-violent criminal offences in 2005, up from 5% in 2000

no recent increases in hate-motivated crimes

- as in 1999, 4% of crime victims in 2004 believed that act was hate-motivated; about two-thirds of these were believed linked to race or ethnicity of victim

crime rates are highest in Western Canada

- Saskatchewan has the highest provincial rate (14,320 per 100,000); Ontario (5,780) and Quebec (6,032) have lowest rates
- crime rates over 7,000/100,000 in Vancouver, Edmonton, Saskatoon, Regina and Winnipeg; virtually all cities in Ontario and Quebec have rates of less than 4,500/100,000
- property crime rates are significantly higher in most western Canadian cities than elsewhere

little difference in crime among large cities (i.e., Census Metropolitan Areas) and rural areas

- account for 50% of Canada's population and 47% of offences

While the actual number of criminal incidents is relatively low in the Territories, when calculated as a rate per 100,000 population the overall crime rate is substantially higher compared to the provinces. This has been the case historically. In 2005, the crime rates in the three territories ranged from three times higher than the national average in the Yukon to five times higher in the Northwest Territories.

Source: Crime Statistics in Canada, 2005, Statistics Canada (2006)

HOMICIDE DATA

- 222 homicide deaths involved firearms in 2005; 49 more than in 2004
- Almost 50% more gang-related homicides (107) in 2005 than previous year; gang-related homicides more often involved firearms (69%) than non-gang-related (27%)
- Suspects knew the victim in more than 80% of solved homicides in 2005

Source: Homicide in Canada, 2005, Statistics Canada (2006)



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CANADA

Crime rates...

risk of violent victimization is highest among Aboriginal People and young Canadians

victim rates are three times higher for Aboriginal People than non-Aboriginal; 22.6% of people between ages 15-24 have been victims of a violent crime

- annually, one in four Canadians is a victim of crime; largely unchanged since 1999
- single persons, urban dwellers and low income earners also experience higher than average victimization rates
- victimization rates are higher in Western Canada than elsewhere

youth crime rates increased between 1999 and 2003, but have fallen since introduction of the *Youth Criminal Justice Act* (2003)

2005 rate was the lowest since 1999

however, criminal activity among young people may not be decreasing

- the proportion of apprehended youth charged with offences has dropped from 56% to 43%, which may be due to changes in police approach to young offenders

criminal incidents not always reported to police

only 34% of criminal incidents were reported in 2004, down from 37% in 1999

- 88% of sexual assaults, 69% of household thefts and 67% of personal property thefts not reported

criminal case clearance rates remain stable

approximately 33% of all crimes are solved by police

- slight decline in clearance rates for violent crime in past 15 years (i.e., 75% in early 1990s to 70% in 2005)

however, analysis and comparison of clearance rates is difficult due to different reporting practices

YOUTH CRIME

In June 2006, the RCMP published a feature focus entitled *Youth Gangs and Guns*, which examined the criminal and violent activities of youth gangs. The document can be found on the RCMP's website (http://www.rcmp-grc.gc.ca/focus/youth_gun/toc_e.htm).

Ultimately, people need to be responsible for their actions. However, research indicates that a significant proportion of crime and violence is the result of interrelated adverse social, economic/poverty, cultural and familial conditions faced by individuals and communities. As such, effectively preventing and reducing crime requires an understanding of the root causes of crimes, the engagement of all relevant partners and stakeholders to help mitigate the root causes (e.g., housing, health, education, harm reduction, etc.) and the employment of discretion when enforcing the laws and managing offenders.

ON THE RUN

An estimated 850 convicted criminals are currently unlawfully at large in Canada. These include 145 inmates who escaped from federal penitentiaries as well as 704 convicts who have failed to report to a parole officer. The number does not include those who escaped minimum security institutions before 1996. One in four escapees commits a crime within 50 days of their breakout, most commonly robberies and break-ins.

Source: "Nearly 850 convicts on the lam nationwide", *Globe and Mail*, 28 December 2005



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CANADA

Aboriginal crime and victimization rates

higher rates of crime and victimization than non-Aboriginal population; rates have remained stable over past several years

Aboriginal People are over-represented in the justice system

- Aboriginal People represent less than 4% of the population, but account for approximately 20% of corrections population, 23% of homicide suspects
- violent crime rates on reserves much higher than rest of Canada: 8 times higher for assaults, 7 times for sexual assaults, 6 times for homicides

approximately 40% of the Aboriginal population reportedly a victim of a crime in the past year

- compared to 28% for entire population; twice as likely to be repeat victims
- constitute 17% of homicide victims

substance abuse is a contributing factor

- 90% of Aboriginal People in correctional services in Saskatchewan have substance abuse problems
- intoxicants involved in 89% of homicides committed by Aboriginal People in Canada

recent initiatives resulting in modest change

number of federal-provincial-territorial programs are addressing substance abuse, mental health, social problems and are targeting higher risk individuals

- culture-based initiatives aimed at eliminating cycle of criminalization

may not be sufficient to address situation

- critics claim too much current focus is on crime, not enough on victimization; focus on commodities instead of individuals
- complex problem, with variety of social and economic aspects, so change can only be in long term with multiple interventions

Young native people have a greater chance of landing behind bars than graduating from university.

Source: Larry Chartrand, Director, Aboriginal Governance Program, University of Winnipeg, 2006



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CANADA

Organized crime is pervasive

OC activity affects the lives of many

Criminal Intelligence Service Canada reports that almost 800 OC groups are currently operating in Canada

- primarily concentrated in urban centres, but significant number active in suburban and rural areas and on Aboriginal reserves

majority of groups are small in scope and nature, but some have capacity for high level and sophisticated operations

- involved in a variety of criminal sectors including illicit drugs, illicit firearms, financial crime, vehicle theft, illegal migrant smuggling and human trafficking
- multicultural criminal organizations and alliances increasingly evident; membership based on criminal capability rather than cultural heritage

illegal drug trade continues to be a key source of revenue for organized crime

80% of OC groups in Canada are involved in the illicit drug trade, particularly as street-level traffickers

cannabis production is spreading across Canada – most medium- and large-scale production is controlled by OC groups

- British Columbia no longer dominates market, as Ontario and Quebec now harvest approximately 50% of crop
- Canadian product valued for high quality and Tetrahydrocannabinol (THC) levels

exports of Canadian marihuana are gaining a larger share of US market

- however, the United States is its own largest source of marihuana with Mexico remaining by far the largest foreign source of marihuana to the US
- annually, an estimated CDN\$5B in marihuana drug proceeds transported back to Canada
- largest Canadian-based distributors in US appear to be Asian OC groups

Canada-based Asian OC groups now control significant proportion of US ecstasy distribution

- taking the place of Israeli-based OC groups largely dismantled by law enforcement
- some groups, especially Asian OC groups and Outlaw Motorcycle Gangs, operate clandestine *superlabs* in Canada to manufacture ecstasy and, increasingly, Methamphetamine
- Canadian ecstasy production now large enough to meet domestic demand

There are varying levels of criminal capabilities amongst organized crime groups across Canada. At present, those with higher levels of criminal capabilities are largely represented by a number of Asian criminal groups in the British Columbia Lower Mainland and southern Ontario, some Italian crime groups in Ontario and Quebec, certain Hells Angels chapters in British Columbia, Ontario and Quebec, and several independent groups across the country.

Source: 2006 Annual Report on Organized Crime in Canada, Criminal Intelligence Service Canada (CISC), 2006



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CANADA

Organized crime is pervasive...

domestic production of crystal meth is thriving

- estimated 95% of meth supply originates in large, multi-kilo operations
- production in central Canada is expanding rapidly: Ontario now probably second only to British Columbia in number of meth labs

cocaine is trafficked by OC groups across Canada, especially in urban areas

- supply arrives directly from South American source countries or via Caribbean, Mexico or US

heroin, crack cocaine and methamphetamine occupy niche consumption markets

- heroin is smuggled to Canada from South West Asia and South America; there are indications that heroin smuggling from South East Asia is diminishing
- evidence suggests that opioids such as Oxycontin, morphine, Demerol, Percodan and Tylenol 3 – commonly prescribed as painkillers – are replacing heroin (though not in Montreal and Vancouver); reflects US trend

The Canadian illicit drug market is dynamic and diverse, involving a wide range of drugs from domestic and foreign sources. These drugs are distributed across the country by criminal groups operating at all levels of capacity and scope.

Source: 2006 Annual Report on Organized Crime in Canada, Criminal Intelligence Service Canada (CISC), 2006



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CANADA

Counterfeit market is flourishing

counterfeiting is a significant problem in Canada

Canadian Anti-Counterfeiting Network estimates value of market at CDN\$20-30B annually

- software piracy alone costs \$2.0B in lost retail sales, \$1.4B in lost wages and \$350M in lost tax revenue

many groups are involved in manufacturing, importation and distribution of fakes

growing number of products are targeted for counterfeiting

fake electronic goods are quite common

- e.g., batteries, cell phones, software, CDs, DVDs, power tools

counterfeit cigarettes may account for as much as 30% of market

- market driven in large part by federal/provincial tax increases

clothing brand name knock-offs readily available

phony cards account for almost 40% of credit card fraud losses

low level of fake medicines in Canada

- however, the first two counterfeit cases within established pharmaceutical companies were encountered in 2005

Canada is a continuing target of criticism for role in global piracy

critics argue Canadian intellectual property protection is inadequate

- copyright laws considered outdated; available penalties inadequate
- limited resources for investigations of suspected fakes

response to counterfeits problem has been viewed negatively abroad

- placed on US Congress Anti-piracy *Watch List* in 2006; listing is due to perceived lax border measures permitting imports of fakes and view that Canada is a major source of pirated DVDs
- identified as "priority country" by International Anti-Counterfeiting Coalition; cited for legislation gaps, low attention to issue, and poor law enforcement coordination

Canada Border Services Agency's (CBSA) limited powers/authority at border to search and seize suspected counterfeits has been criticized by Canadian and foreign experts and commentators alike

IMPACTS OF COUNTERFEITING

- Injury or death from counterfeit medicine
- Fatal accidents from bogus car parts
- Product liability issues
- Lost revenue and jobs at legitimate businesses
- Diminished brand-name reputation
- Product protection costs passed to consumer
- Decreased tax revenue
- Financing of organized crime and terrorism

Source: *Intellectual Property: Source of Innovation, creativity, growth and progress*, International Chamber of Commerce, 2005



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CANADA

Economic crime is burgeoning

significant level occurring across the country

various forms of economic crime have been witnessed

- e.g., money laundering, intellectual property crime, corporate and securities fraud, identity theft, currency counterfeiting etc.

PricewaterhouseCoopers Global Economic Crime Survey reported that 55% of Canadian companies had been a victim of an economic crime within the last two years

- represents a 9% increase from 2003
- survey may be overstating the level of the problem since some relatively minor incidents were considered "economic crimes"

wide range of currency counterfeiting crimes are committed

improvements in imaging and printing technology are changing the nature of counterfeiting

- easier access to affordable and improved computer and imaging technology
- high quality fake bills able to pass some counterfeit detection systems at cash registers

lower denominations are most often forged – more than 85% of fake bills passed in 2005 were of \$5, \$10 and \$20 denominations

mass marketing fraud is a continuing challenge for law enforcement

advances in technology are assisting fraud schemes, with victims around the globe

- seniors are the largest target, but all age groups have been victimized

telemarketing fraud costing Canadians millions

- losses may approach \$295M each year
- analysts believe that only 5% of victims ever report fraud schemes to authorities

SENIORS AS VICTIMS OF CRIME

The extent to which older people are crime victims is of particular current interest, since they constitute an ever increasing proportion of the Canadian population.

People over 65 years old experience by far the lowest rates of violent crime of any Canadian population segment (less than half the rate of 55-64 age group and 14 times lower than 15-24 year olds). These rates have been going up, however – 1995 rates were 21% higher over 2005. An older victim is marginally more likely to know the crime perpetrator than a younger victim and less likely to report the incident. Senior men are victimized about 50% more frequently than older women. Interestingly, Canadians over 60 years old accounted for more than 80% of known total dollar loss from telemarketing prize and lottery scams between 1996 and 2003.

Source: "Seniors as Victims of Crime", Statistics Canada, 2007



Identity theft & fraud growing, becoming more sophisticated

personal and financial information of Canadians are increasingly targeted by criminals

identity theft growing in scale, scope and sophistication

- personal information obtained by a wide range of methods from the rudimentary (e.g., mail and garbage theft) to the sophisticated (e.g., phishing and spam, modified point-of-sale terminals and black market websites)
- according to a November 2005 poll, 77% of Canadians are somewhat or very concerned about becoming a victim of identity theft
- Equifax and Trans Union – two major credit bureaus – receive 1,400-1,800 identity theft complaints each month

development of information technologies are driving explosive growth in identity theft and fraud

considerable amounts of personal information are collected, transmitted and retained by organizations

- number of recent high profile cases of mass identity theft from Canadian organizations for illicit financial gain
- growing incidence of individuals and OC groups stealing identities to facilitate and camouflage other criminal activities
- driving calls for more vigilance in the protection of personal information

In late 2006, hackers accessed the computer systems of the US parent company of Winners and HomeSense, obtaining access to credit and debit card numbers of about 20M million people worldwide, including an estimated 2M Canadians.

fraudulent credit and debit card activities are resulting in financial losses

financial institutions reported loss of \$280M in 2005 to fraudulent credit card activity; \$74M lost in fraudulent debit card activities

- skimming of data from magnetic cards and manufacturing of duplicate cards is largest category of credit card fraud, accounting for 36% of value of losses
- growing adoption of debit payment technology among businesses and consumers facilitating increases in debit card fraud

mortgage fraud is becoming an epidemic

estimates reveal that mortgage fraud is costing Canadian economy \$1.5B each year

- identity thieves taking out mortgages under false identities and selling properties without the knowledge of owners

Identity theft is one of the fastest growing crimes in North America. Whether it's someone hacking into your computer, or stealing your mail, identity theft can happen quickly and leave a trail of devastation...

Source: "Identity Theft", www.rcmp.grc.gc.ca, 2006



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CANADA

Identity theft & fraud growing...

Law enforcement faces several challenges in investigating identity fraud:

- adequate resources and skills (particularly information technology skills) are needed to keep pace with this crime's increasing scale and scope and this has not been occurring;
- even with resources, it is difficult for law enforcement to keep up with the frequent emergence of new methods and forms of identity fraud, driven by opportunities provided through the ongoing rapid expansion and evolution of informatics technology;
- individuals and companies are not proactive enough in protecting themselves (e.g., individuals are disclosing personal information like their Social Insurance Number without taking precautions to verify the recipients' identities);
- identity documents are issued by a variety of private sector, provincial and federal authorities – communication and information exchange amongst issuers is the exception rather than the rule and privacy legislation prohibits some contacts, leaving communication gaps to be exploited by identity thieves;
- many organized crime groups have the resources and ability to conduct very sophisticated and large-scale identity fraud activities and are very aware of what law enforcement can and cannot do to prevent their activities;
- since identity fraud crosses borders and jurisdictions, countering the threat requires working with a variety of agencies and organizations across Canada and abroad; and,
- gaps in legislation are an obstacle – companies are not obliged to report the theft of financial or personal information to police or to the individuals whose data has been stolen; unlike in several US states, companies do not have to demonstrate “due diligence” in protecting consumer information.



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CANADA

Border security is a concern

Canadian borders are perceived as porous

border believed to be vulnerable to smuggling of contraband and people

- situation seen by some as threat to national security

recent Senate Committee on National Defence (SCONSAD) reports have highlighted a number of weaknesses

- e.g., vulnerabilities at marine and air ports; unmanned ports and border officers; ports where officers work alone; inadequate risk management; and insufficient examination rates for people and goods entering the country

frequent media coverage in both Canada and US have highlighted threat of smuggling contraband, explosives, people, etc. into and out of Canada

Government of Canada attempting to strengthen security

more than \$1B invested in initiatives since 9/11

- funding used for: contraband and radiation detection equipment; risk assessment programs; automated systems; and, intelligence, analysis and targeting enhancements
- formation of Integrated Border Enforcement Teams (IBETs) consisting of various law enforcement organizations to deal with threats between ports have also been created to counter problems

several additional measures have been introduced in recent years

- 2005 saw the establishment of "Security and Prosperity Partnership" between Canada, US and Mexico focusing on developing joint risk-based screening standards, compatible supply chain security, and standards for secure borders documents
- 2006 Federal Budget provided funding to arm CBSA officers at land and marine Ports of Entry and for 400 extra border officers to ensure that no one works alone

If terrorists wanted to cripple Canada and simultaneously hobble the US, where would they likely strike? The Parliament Buildings? The James Bay hydro-electric project? The Pickering nuclear reactor? All good targets. But not the best. If somebody really wanted to tear into Canada's political and economic future and wound the Americans at the same time, an optimal target might be the Ambassador Bridge in Windsor, Ontario.

Source: Borderline Insecure: An Interim Report by SCONSAD, June 2005



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CANADA

Road and highway safety a concern

motor vehicle collisions remain a major cause of death and injury in Canada

collisions remains the leading cause of unintended death in Canada

- 2,730 people died on Canadian roads in 2004
- 212,347 persons were injured (17,533 seriously) in traffic collisions in 2004
- in 2003, 40% of fatally injured vehicle occupants were not wearing seat belts
- majority of fatal collisions occur on rural roads, at night and on weekends
- young and elderly drivers at highest risk of being killed in a traffic collision

cost of vehicle collisions (including health care expenditures, property losses, etc.) estimated as high as \$25 billion annually

cell phones and wireless e-mail are increasingly blamed for driver distraction

impaired driving is leading cause of criminal death in Canada

less obvious, but more insidious than other crime types

32% of fatally injured drivers were legally impaired at the time of collision in 2003

studies suggest cannabis – the most commonly found intoxicant after alcohol – has been detected in 13.9% to 19.5% of seriously injured and fatally injured drivers; cannabis doubles the risk of being involved in a fatal collision

- 2006 survey found that driving under influence of cannabis has doubled since 1980s; young male drivers now intoxicated as frequently with cannabis as with alcohol

CANADIANS ARE BUCKLING UP

Seatbelt usage increased by 4% in 2004-2005. On average, 90.5% of light-duty vehicle occupants buckle-up. Usage is slightly higher in urban (91.1%) than in rural (86.9%) communities. The rates for those under age 25 (87.0%) are below the Canadian average.



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CANADA

Integrated policing

law enforcement community is committed to integration

growing recognition that effectively combating crime and countering threats to national security (e.g., terrorism) requires law enforcement working together across organizations and jurisdictions

- first significant steps taken in 1970s with joint action through Joint Forces Operations to combat organized crime groups
- many integrated teams currently exist to deal with organized crime, national security, drug production and trafficking, financial crime, and border criminality
- many such teams have demonstrated notable successes in dealing with criminal problems

concern that current practice of integrated policing is not working optimally

lack of consistency, interoperability, common policies, governance structures, accountability and performance measurement framework

- current cooperation among police units is ad hoc – planned and executed by involved police agencies to deal with specific issues or threats
- joint operations creating false perceptions of extent to which police are communicating, coordinated and integrated
- 2005 Auditor General report concluded that current level of inter-agency cooperation is resulting in some security gaps

considerable challenges to improving integration

currently, no model for integrated policing and no agreed definitions

patchwork of laws and policies across the country makes it difficult to develop consistent approaches or structures

- both federal and provincial laws govern policing in Canada
- five different levels of police exist across Canada (national, provincial, regional, municipal and Aboriginal); all funded, organized and managed differently
- police have different policies, reporting structures, citizen oversight bodies and rules on working with others
- privacy legislation/policies are often barriers to sharing of information among policing community

federal/provincial governments have key role in setting legislation and policies, but have not viewed integrated policing as a sufficient priority



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CANADA

Integrated policing...

Though vital, managing cooperative efforts is challenging to law enforcement:

- Sharing information among units is crucial, but Canadian police have little formalized means of holding other organizations – domestically and internationally – accountable if they do not follow “third party” rules or other caveats placed on the use of shared data. There is also a complex patchwork of legislative provisions and privacy legislation affecting public organizations’ ability to share information with others, which affects exchanges with private sector agencies most acutely.
- Without an accountability framework, it is difficult to establish benchmarks against which success can be measured systematically and difficult to deal with any disciplinary issues that may arise within integrated units. Accountability is even more difficult when working with private security organizations as they have no obligations to elected representatives and their activities are not subject to public review processes or oversight bodies that can provide reassurance that they are respecting laws.
- Additional challenges flow from the fact that integrated policing arrangements are typically governed by Memoranda of Understanding (MOUs). The RCMP alone has over 2,000 signed MOUs in place with other organizations, with a significant portion dealing with integrated policing arrangements of one type or another. Each has to be negotiated, signed and maintained individually, presenting an administrative burden. In addition, by definition MOUs are voluntary agreements, whose provisions are not normally legally binding or enforceable.



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CANADA

Spotlight on law enforcement

police continue to be subject to extensive government, public and media attention

issues relating to security, crime and policing receiving prime-time daily coverage

- attention due to government priorities, increased concerns about security and crime
- extensive coverage of deaths/injuries of police officers

much recent publicity has been negative

the RCMP, in particular, has been under intense scrutiny; emphasis on organization's role in deportation of Maher Arar to Syria

- considerable attention given to RCMP's information exchange with US officials
- coverage climaxed in Fall 2006 with release of Justice O'Connor's reports, recommendations for changes to the RCMP's national security investigations, and the resignation of the RCMP Commissioner

news media also covered Office of Auditor General's criticisms of RCMP

- e.g., reported abuses of RCMP's pension and insurance plans; organization's role in the "sponsorship scandal"

other police forces have also been receiving negative coverage

- enquiries regarding past shooting incidents (e.g., Ontario Provincial Police's role in 1995 Upperwash shooting); inquests into alleged miscarriages of justice and police misconduct (e.g., Lamer report involving case in Newfoundland released June 2006 is most recent example)
- periodic, well-publicized accusations, reports and analysis of alleged racial/ethnic profiling

however, Canadians continue to trust the police

Canadians' personal observation of, and experience with, uniformed police may be balancing negative media coverage

- as of December 2006, 88% of Canadians indicate having confidence (moderate to high) in the RCMP (EKOS Research Associates, December 2006)
- surveys consistently show Canadian police are among most respected and trusted authorities

The RCMP provided American authorities with information about Mr. Arar that was inaccurate, portrayed him in an unfairly negative fashion and overstated his importance in the RCMP investigation.

Source: Report of Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar, 2006



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CANADA

Crime reduction strategies are gaining momentum

RCMP-led crime reduction pilots are currently underway in BC

strategy is focused on partnerships, shared targets, evidence-based measures and accountability

- recognition that active cooperation of many organizations is necessary to reduce crime (e.g., health services, corrections officers, justice officials, police, educators, First Nations, child and family development, community partners etc.)

objectives of measurable reduction in crime and reduced fear of crime; objectives supported by 4 operational streams

- detect and prosecute; prevent and deter; rehabilitate and integrate; reduce fear

Phase 1 has been completed in 5 communities in British Columbia (Coquitlam, Penticton, Comox Valley, Fraser Lake and Port McNeill) with some encouraging results

- local reductions in certain targeted crimes
- increasing buy-in from key partners including BC government

however, strategy continually ever-greened to adjust for emerging lessons learned

FOLLOWING THE UK's LEAD

The crime reduction pilots in BC are modelled closely on the United Kingdom's "Crime Reduction Strategy", which focuses on prolific and priority offenders, crime hotspots, and the causes of crime. The strategy targets UK offenders with at least three convictions (about 10% of all offenders), who are responsible for half of all crime. It is a three-pronged approach: preventing and deterring crime; catching and convicting criminals; and rehabilitating and settling criminals.

The results have been positive to date. The risk of becoming a victim of crime has been falling in the UK, and is now at the lowest levels recorded since the British Crime Survey began in 1981. The goal of reducing the fear of crime, however, has not been achieved.



Public Safety & Security



CANADA

Policing resources are strained

expenditures on policing continue to rise

\$9.3B was spent on public policing in 2005, up 4.0% from 2004

- represents an investment of \$288 per Canadian
- 9th consecutive year of increases

however, police investigations getting longer, more labour intensive, expensive and complex

evolving case and statutory law is contributing to the increases

- prescribed disclosure rules – resulting from *R. vs. Stinchcombe* – still having greatest impact

investigations require more and lengthier procedures, paper work, resources and training of officers

- e.g., length of domestic assault investigation in British Columbia took an average of 1-2 hours in early 1990s; in 2006 this investigation took 11-15 hours

difficult to quantify increases accurately due to differences in data collection and reporting among police forces across Canada

range of responsibilities ever-increasing

expanded police role in national security; line between law enforcement and national security blurring

- municipal and provincial police establishing national security units (e.g., Vancouver Police)

police playing role in securing CI, consequences of pandemic outbreaks etc.

new types of crime emerging and/or assigned priority

- e.g., cyber crime, identity theft and human trafficking

more international scope to police work

- participation of police (including municipal and provincial) in multinational investigations and operations
- participation in peacekeeping and in training/capacity building of police in countries around the world

The evolution of the roles and responsibilities of the RCMP in recent years are an indication that public officials and the general population have confidence in the organization. However, there are a number of impacts:

- without commensurate levels of funding, RCMP resources may be spread too thin and could jeopardize the overall effectiveness of the organization;
- shifting internal resources to fill new positions often causes a cascading effect throughout the organization (e.g., younger Regular Members leading detachments, increased vacancies, etc.);
- new responsibilities have often been in areas requiring skills that are in short supply; and,
- additional stress on the infrastructure (e.g., Human Resources).

INCREASING BURDEN ON INVESTIGATORS

A recent national security investigation in Ontario resulted in the seizure of 81 hard drives containing 4.5 terabytes of information requiring analysis. If this information was printed, using a standard font on 8.5 x 11-inch paper, and stacked, the resulting pile would reach 148 times the height of the CN Tower.

Source: RCMP Technological Crime Branch, 2006



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CANADA

Private policing is prospering

privately employed security forces currently outnumber publicly-employed police by 2:1

growth in private police forces began in the 1960s

offer more than just private property protection – perform many ‘public’ security functions; public/private division blurring

- e.g., air passenger screening, office building security, shopping district patrols, fraud investigations, transporting cash, alarm response and servicing, and guarding gated communities

stadiums, private events ‘renting’ uniformed officers to provide security (so-called ‘pay-duty policing’)

post 9/11, public-private security partnerships are increasing

objective is to increase security by leveraging private sector resources for mutual benefit

- CBSA programs such as Free and Secure Trade and Partners-in-Protection offer expedited border clearance and improved service to low-risk traders that can demonstrate secure trade chain security
- governments are working increasingly with companies to improve critical infrastructure security

concerns about implications of growth of private policing

limited government oversight and regulation raises questions of accountability and governance

- subject to provincial – not federal – regulation
- lower recruitment standards; less rigorous training, standards, codes of conduct and professionalism

legal framework for private security is inadequate

- many grey areas (e.g., arrest powers, charter protections, etc.)

provincial governments are responding to concerns

- since 2004, the four largest provinces have brought in new legislation/regulations to address gaps
- however, concerns linger that these efforts are patchwork and inadequate

It is not simply the case that private security is filling a void left by the public police. Today, it is more accurate to suggest that policing is carried out by a network of public police and private police that is often overlapping, complementary and mutually supportive. Within this context, it is increasingly difficult to distinguish between public and private responsibilities.

Source: In Search of Security: The future of Policing in Canada, Law Commission of Canada, 2006



Public Safety & Security



CANADA

Law enforcement organizations are recruiting

majority of law enforcement organizations are actively recruiting

new and/or experienced police officers are being sought

- Calgary Police seeking new and experienced recruits; international applicants are accepted
- some organizations are focusing on recruiting more ethnically diverse workforce (e.g., Toronto Police Service)
- experienced officers preferred by some organizations since they have experience and skills and require shorter and less expensive training (e.g., Royal Newfoundland Constabulary is currently only seeking experienced officers)

all police forces are facing recruiting problems

- recruiting from the same limited pool of qualified candidates; competitive labour market nationally; aging workforce
- poaching from other organizations increasing

organizations are pulling out all the stops to recruit

- using stylish websites, newspaper ads, TV and movie theatres in their communities campaigns across Canada and abroad
- Calgary Police advertising higher standard of living, Canadian scenery and lifestyle to tempt UK police officers

RCMP is also seeking to enhance its capacity

facing similar challenges as other organizations

focused on recruiting, training and developing thousands of new recruits

- replace retirees and staff new initiatives (e.g., anti-terrorism)

national recruitment drive is now underway

- seeking to recruit 2,000 or more new members every year over the next few years; largest recruitment drive in 30 years
- RCMP provided with over \$300 million for refurbishing and expanding RCMP Training Academy and increasing recruitment capacity
- Operation Recruit involves establishment of recruiting units and spreading awareness of RCMP by Regular Members to attract qualified people; includes ads on national Internet sites, magazines and other publications

RCMP RECRUITING

Myth: Successful candidates need to be bilingual and have a university degree.

Reality: Candidates must be Canadian citizens, 18 years of age or older, of good character and proficient in either official language. Also must possess high school or equivalent diploma, and meet medical and health standards.

The current environment may pose significant recruitment and retention challenges for the RCMP. This situation may necessitate a rethinking of the application process to remove any unnecessary barriers, as well as the introduction of incentives (e.g., pay during training) for new recruits.



Public Safety & Security



CANADA

Evolving roles and responsibilities

conflicting messages regarding future presence of RCMP in several areas

government officials – past and present – in Alberta have commented on establishing own provincial police force

- however, new Premier recently backed away from the idea and stated support for retaining RCMP

municipality of Richmond (British Columbia) studying feasibility of replacing RCMP with municipal force

- councilors happy with RCMP service, but complain about lack of influence in decision-making process on needed programs and expenses

some other Vancouver municipal politicians suggest that a regional police force be created for BC's lower mainland

traditional RCMP roles being augmented by sheriffs/special constables

sheriffs in Alberta now supply security for rural courts and rural inmate transportation since September 2005; sheriffs are also now patrolling Alberta highways

Government of Manitoba recently gave its municipalities the power to employ special constables to enforce certain provincial laws in rural communities

growing number of federal government agencies with law enforcement responsibilities

more than 25 departments and agencies now have some law enforcement roles (e.g., CBSA, Environment Canada, and Fisheries and Oceans)

17 federal agencies and departments have firearms

- includes fisheries officers, correctional officers and some game and park wardens
- selected CBSA border officers will be issued weapons in future

The RCMP is confident in its role as Canada's police service of choice; federal, provincial/territorial and municipal under the aegis of existing Police Service Agreements. Consistent with its present configuration, the RCMP brings public safety dividends to Canadians through:

- multiple enforcement activities within a single organization (e.g., contract policing, federal and international operations/protective policing, national police services);
- a policing model that facilitates more effective integrated enforcement activities at federal/provincial/municipal levels;
- operational efficiencies resulting from policing at different levels of government – seamless interoperability between federal/provincial/municipal governments;
- approximately 24,000 employees to put national focus on programs (e.g., Crime Reduction Strategy);
- rapid redeployment of law enforcement resources to meet planned or unforeseen policing events (e.g., major events, labour disputes);
- implementation of governmental public policy via public safety initiatives; and,
- visible promotion of national sovereignty and Canadian identity (i.e., sole Federal presence in many isolated communities, policing of the North).