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RCMP Criminal Intelligence
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PROJECT SPAWN
**A STRATEGIC ASSESSMENT OF CRIMINAL ACTIVITY
AND ORGANIZED CRIME INFILTRATION AT
CANADA'S CLASS 1 AIRPORTS**





PROJECT SPAWN
A STRATEGIC ASSESSMENT OF CRIMINAL ACTIVITY
AND ORGANIZED CRIME INFILTRATION AT
CANADA'S CLASS 1 AIRPORTS

This strategic assessment is based on files dated between January 2005 and August 2007.

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A STRATEGIC ASSESSMENT OF CRIMINAL ACTIVITY AND ORGANIZED CRIME INFILTRATION AT CANADA'S CLASS 1 AIRPORTS

Executive Summary

In the past few years, incidents of organized crime involvement in large drug seizures at major Canadian international airports have garnered much public attention and brought to the forefront issues of criminal activity within the airport environment. As a result, the RCMP, in partnership with other stakeholders, has undertaken an assessment of criminal activity and organized crime infiltration at Canada's Class 1 airports.

This project began in January 2007 and provides a strategic overview of the issue based on qualitative and quantitative data from eight airports – Vancouver, Edmonton, Calgary, Winnipeg, Toronto, Ottawa, Montreal (Trudeau) and Halifax.

A total of 1,334 law enforcement files dated between January 2005 and August 2007 were collected and examined, however this is not an exhaustive total of all the law enforcement files generated during this time period. Various criteria were used to produce a list of the most relevant files. For all eight airports, a list of general criteria was used to determine relevance (Appendix A). Based on these criteria, a total of 793 law enforcement files were included in this assessment.

In these 793 law enforcement files, there were 1,326 individuals identified. Of these 1,326 people, 298 of them were identified as airport employees, while the remaining 1,028 do not work in the airport environment but were utilizing or infiltrating the airports to facilitate criminal activity.

The aforementioned law enforcement files indicate organized crime is clearly present at Canada's Class 1 international airports. The facilities are susceptible to criminal exploitation and infiltration, particularly at the major international airports that receive frequent flights from either source or transit countries for various types of contraband.

Organized crime groups will attempt to exploit airports by corrupting existing employees or by placing criminal associates into the airport workforce. Criminal networks are known to bribe employees to ignore criminality or to assist in criminal activities, including drug trafficking or theft. The success of organized crime groups at airports depends on their ability to take advantage of security gaps to move contraband without being subject to scrutiny.

Key Findings

- Fifty-eight organized crime groups were identified as working within or utilizing the eight Class 1 airports included in this report.
- Thirty-eight of these organized crime groups identified in this assessment had established links to Canada's three largest airports – Toronto, Montreal and Vancouver.
- Of the organized crime groups identified in this assessment (58), where the nature of their criminal activities were known, 37 groups were involved in the illicit drug market. The most predominant drug being smuggled by these organized crime groups was cocaine, with 71% of the organized crime groups facilitating cocaine importation into Canada by air.
- Air passenger couriers were predominantly used by the organized crime groups to move illicit drugs into and within Canada.
- Criminal elements operated within the airports either as independent criminal facilitators or as individuals who were directly linked, or indirectly associated, to organized crime groups. Seventeen organized crime groups had members or associates employed at six of the Class 1 airports.
- The main modus operandi of organized crime groups operating at the airport was to target airport employees to aid in carrying out illegal activity, which can disrupt the safe and secure work environment of employees.

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- There were 298 current and former employees at the eight Class 1 international airports who were identified in the law enforcement files reviewed. It is important to note that as of November 2007, a total of 88,389 employees working at those eight airports had access to secure areas.
- As of August 2007, the majority of the airport employees included in this assessment were still believed to be working at one of the eight Class 1 international airports.
- A small number of current airport employees were known to have a criminal record, a few cases involved drugs. Eight employees had been charged, five of whom were charged with drug-related offences.
- There were employees involved in criminal activity at all eight of the airports included in this report.
- The airport environment creates an opportunity for employees to band together to carry out illegal activity rather than acting at the behest of already-established organized crime groups. This could translate into an expansion of their operations outside the airport environment.
- Twenty-seven cases of confirmed internal conspiracy and 62 cases of suspected internal conspiracy are included in this report. The vast majority of these cases are drug-related.
- In some cases, the interior of the aircraft was tampered with in order to conceal the drugs, causing potential safety risks for unsuspecting passengers.
- Increased passenger and cargo traffic at Canada's Class 1 airports from known source or transit countries for illicit contraband may provide greater smuggling opportunities.
- Improvements are required in relation to inter-agency cooperation. Greater intelligence-sharing and joint investigation, such as those used in Project COLISÉE, demonstrate the success that can be achieved through targeted law enforcement efforts at Class 1 airports.

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Introduction

The purpose of this project, which began in January 2007, was to provide a national strategic assessment¹ of the scope of criminal activity and organized crime infiltration at eight Canadian Class 1 international airports – Vancouver, Edmonton, Calgary, Winnipeg, Toronto, Ottawa, Montreal (Trudeau) and Halifax.²

While there have been several reports³ written on this subject in recent years by various stakeholders, this assessment provides a strategic overview of the issue based on qualitative and quantitative data compiled from law enforcement files and partner agencies.

This assessment should provide a basis for more effective prevention and enforcement action, including through enhanced inter-agency cooperation.

Methodology

This project was an RCMP-led effort with cross-agency participation from law enforcement and government. At each of the eight airports, Criminal Intelligence made initial presentations on the project plan to all partner agencies and relevant investigative units to seek their participation.

This strategic assessment is based on interviews and on-site visits with partner agencies, investigative units and law enforcement. Data was either provided to investigators by the RCMP and other law enforcement or was found through database searches.

A total of 1,334 law enforcement files dated between January 2005 and August 2007 were collected and examined, however this is not an exhaustive total of

all the law enforcement files generated during this time period. Various criteria were used to produce a list of the most relevant files. For all eight airports, a list of general criteria was used to determine relevance (Appendix A). Based on these criteria, a total of 793 law enforcement files were included in this assessment.

In these 793 law enforcement files, there were 1,326 individuals identified. Of these 1,326 people, 298 of them were identified as airport employees, while the remaining 1,028 did not work in the airport environment but were utilizing or infiltrating the airports to facilitate criminal activity.

Table 1: Breakdown of Files in Project SPAWN

	Totals
Files Collected	1,334
Files Retained	793
Individuals Identified in Files	1,326
Airport Employees in Files	298
Individuals Involved in Criminal Activity (not Airport Employees)	1,028

The project’s main focus is organized crime infiltration and airport criminality, excluding incidents related to terrorism.

This report is divided into three main sections. The first section discusses organized crime groups⁴ that utilized and infiltrated the airports, while the second deals with airport employees involved in criminality – including internal conspiracies. The final section highlights other trends of interest.

¹ An overview of the scope and dimension of criminal activity, used to assist in policy development and priority setting.

² There are nine Class 1 airports designated under the Canadian Air Transport Security Authority Act. However, this assessment does not include Montreal-Mirabel, which since 2004 has only operated cargo flight services and is inactive for passenger travel. This assessment focuses on Class 1 airports with both passenger and cargo traffic.

³ The 2007 Standing Senate Committee on National Security and Defense; The Auditor General report to the House of Commons, March 2004; The Independent Review of Airport Security and Policing for the Government of Australia (The Wheeler Report), September 2005.

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For the purposes of this report, a link is defined as an association between two or more individuals, or an individual and a known criminal entity, such as a business that is controlled by organized crime. The nature of the link could be family, friendship or a business relationship. It was not always clear from the data if the relationship was criminal.

However, personal information gathered by Transport Canada for the purposes of considering an application for a transportation security clearance cannot lawfully be shared or used for another purpose.

Challenges

It was difficult to fairly compare the level of criminality at one airport with another due to significant differences in the amount of data made available to this project for each airport.

Limitations imposed under Section 107 of the Customs Act prevented Canada Border Services Agency (CBSA) from providing names of individuals involved in incidents. Although all statistics on CBSA drug seizures are provided to the RCMP at the time of the interdiction, some were not available to the project. This report is based on the police files to which the project team had access, which is reflected in Chart 1. The larger number of drug files provided relative to other seizures is due to the fact the RCMP typically takes possession of drugs seized at the airport.

Certain information about airport employees that would have been useful in identifying potential criminality at the eight Class 1 international airports included in this report was not provided by Transport Canada. This assessment would have benefited from data related to the percentage of employees with criminal records and the nature of offences. For example, identifying employees with Restricted Area Identification Card (RAIC) access and a criminal record could have permitted us to establish potential links with files retained for this assessment.

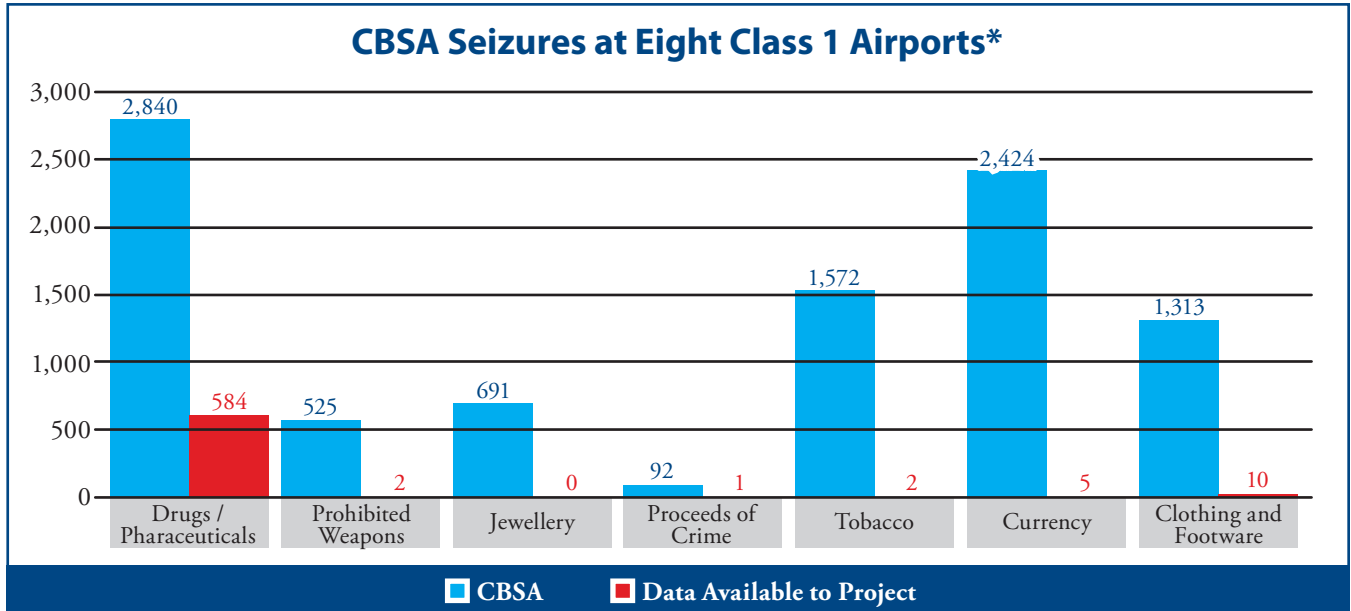
⁴ The Criminal Code of Canada defines organized crime as a group, however organized, that (a) is composed of three or more persons in or outside Canada; and, (b) has as one of its main purposes or main activities the facilitation or commission of one or more serious offences, that, if committed, would likely result in the direct or indirect receipt of a material benefit, including a financial benefit, by the group or by any one of the persons who constitute the group.

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Airport Facts

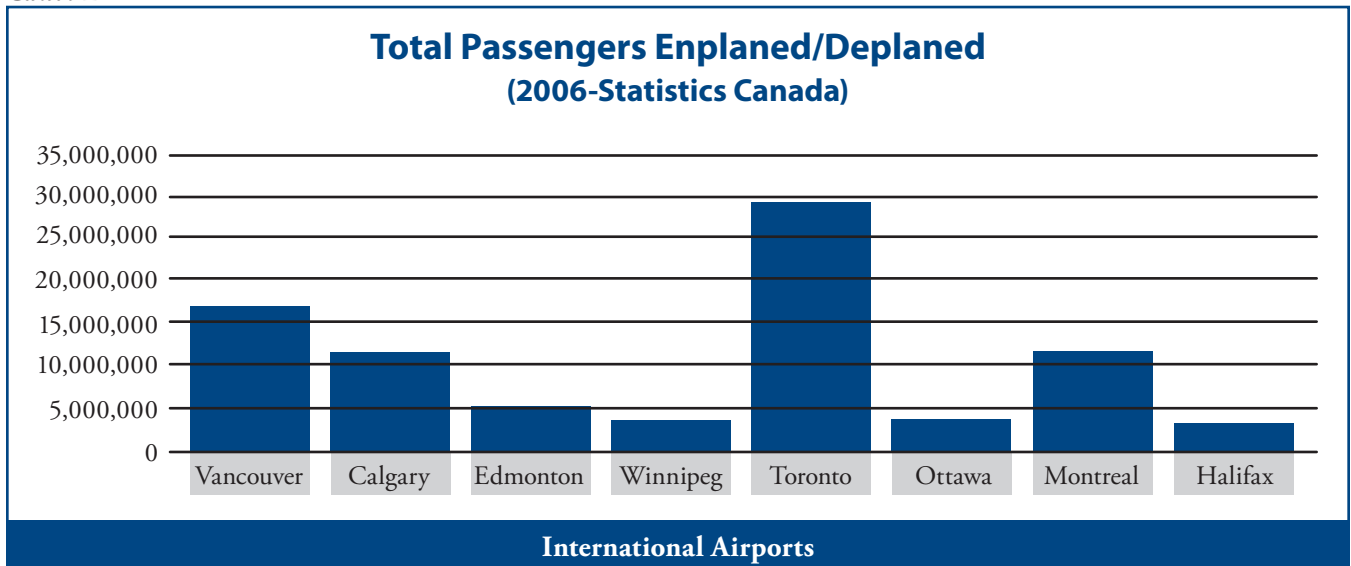
The eight airports included in this report recorded a total of 84 million arriving and departing passengers and 695,106 tonnes of loaded and unloaded cargo in 2006.⁵

Chart 1



* Some of the CBSA General Commodities Seizure Statistics are from 2005-01-01 to 2007-02-28 while only data from 2005-01-01 to 2006-02-28 was available for other airports. All the data used in this project, however, covers the period from 2005-01-01 to 2007-08-31. The statistics do not distinguish counterfeit contraband from other seizures.

Chart 2



⁵ Statistics Canada, Air Carrier Traffic at Canadian Airports, 2006

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Transport Canada estimates the total arriving and departing passengers for all sectors (domestic, transborder and other international) will continue to increase in the short- to medium-term due to continued competitive ticket prices and strong economic growth. The average annual increase is expected to be 4.6% (2006-2010) and 3.4% (2006-2020).⁶

This increase indicates the need for continued vigilance and attention to criminality, and the increased opportunity for criminality, in the airport environment.

As of late November 2007, a total of 88,389 employees⁷ at the eight airports included in this report had RAICs.

Agency Roles and Responsibilities

In order to understand the security environment at Canadian airports, it is important to clarify the roles of the various agencies responsible for and/or present at the airport. In addition to the RCMP, there are numerous agencies and organizations with various roles. These primarily include: Transport Canada, Canadian Air Transport Security Authority (CATSA), Canada Border Services Agency (CBSA), airport authorities, Canadian Security Intelligence Service (CSIS), and local police services.

RCMP	Roles and Responsibilities
	<p>The RCMP has Airport Federal Enforcement Sections (FES) at Montreal, Toronto and Vancouver International Airports. These sections fall under the mandate of the Federal Enforcement Branch under Border Integrity. Airport FES investigators are tasked with responding to calls from CBSA, conducting internal conspiracy/corruption investigations and responding to national security incidents.</p> <p>The RCMP has the mandate to take possession of all drug seizures, which is done at all eight Class 1 airports except Winnipeg International Airport.</p> <p>The RCMP is also mandated, along with CSIS, to carry out security inquiries on RAIC applicants, as requested by Transport Canada.</p> <p>Jetway: A policing program that assists plainclothes members in the detection of criminals who are travelling through airports, bus terminals or train stations. May be comprised solely of RCMP members or be a combined unit of RCMP and local police.</p> <p>Integrated National Security Enforcement Team (INSET)/ National Security Enforcement Section (NSES): INSET are RCMP-led teams comprised of representatives of federal partners and agencies, such as CBSA, CSIS and municipal and provincial police forces. Both INSET and NSES teams track, deter, disrupt and prevent the criminal activities of terrorist groups or individuals who pose a threat to Canada's national security.</p> <p>Drug Sections: The RCMP has dedicated drug resources at some airports.</p>

⁶ Transport Canada, Economic Analysis Directorate, Aviation Forecasts, 2006-2020 (July 2007)

⁷ Because of high staff turnover and the large number of employers in the airport environment, it is difficult to pinpoint the exact number of employees - including those who do not require RAIC access - working at an airport for any specific period of time.

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Police of Jurisdiction	Roles and Responsibilities
	<p>The local police department provides call response and criminal investigation support to the airport.</p> <p>Typically it is also contracted to provide uniformed protective policing, and investigates Criminal Code offences and provides security services under contract to the airport authorities.</p>
Transport Canada	Roles and Responsibilities
	<p>Transport Canada’s mission is to promote a safe and secure transportation system for Canadians. Transport Canada sets regulations and policy for aviation security in Canada. The department is responsible for developing, amending and enforcing compliance with the regulations and security measures that govern aviation security under the federal Aeronautics Act.</p> <p>The aim of the Transportation Security Clearance Program is the prevention of unlawful acts of interference with civil aviation by the granting of clearances to persons who are deemed not to present a threat to transportation security and who meet the standards set out in this program. Among the objectives of this program is to prevent entry into a restricted airport area by known or suspected organized crime members (current/former) or participants. Another objective is the exclusion of members of a terrorist group.</p> <p>Transport Canada is also responsible for conducting security clearances for all airport employees that require access to restricted areas. All airport employees must have their security screening conducted before starting work and security clearances must be updated every five years.</p> <p>Transport Canada is not an investigative or law enforcement agency, nor is it engaged in the detection and interdiction of contraband.</p>
CATSA	Roles and Responsibilities
	<p>The Canadian Air Transport Security Authority is responsible for the implementation of a number of aviation security services.</p> <p>It is responsible for the pre-board screening of passengers and their belongings, as well as the screening of checked baggage and airport employees and contractors entering restricted areas. CATSA is also responsible for the development and implementation of the RAIC system for non-passengers at major Canadian airports using biometrics.</p>
CBSA	Roles and Responsibilities
	<p>Canada Border Services Agency manages entry points to Canada at nine international airports.</p> <p>CBSA establishes how people and goods move across Canadian borders at ports of entry, detains people who may pose a threat to the country and removes people deemed inadmissible, including those involved in organized crime.</p> <p>The agency also seizes illegal goods at ports of entry and is responsible for collecting any applicable taxes and duties.</p>
CSIS	Roles and Responsibilities
	<p>The Canadian Security Intelligence Service provides threat assessments to the federal government, including departments such as Transport Canada, based on current intelligence and other information.</p> <p>CSIS provides security assessments for employees requiring access to Canada’s international airports.</p>

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The following table indicates the various law enforcement agencies/units whose members have a presence at the eight Class 1 international airports included in this report:

Table 2: Law Enforcement at each of Canada’s Class 1 Airports

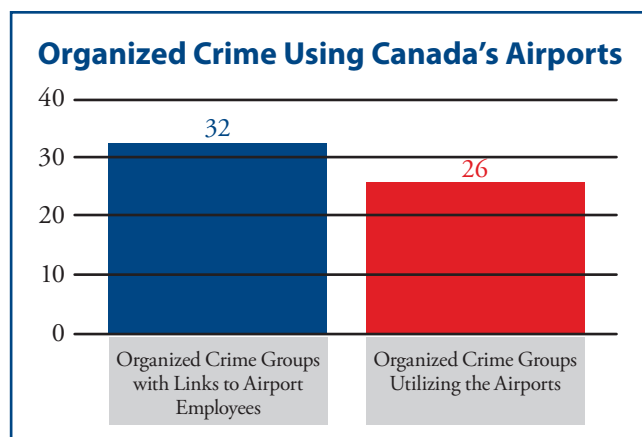
	Vancouver	Calgary	Edmonton	Winnipeg	Toronto	Ottawa	Montreal	Halifax
Police of Jurisdiction (Criminal Code and Provincial Statutes) AND Uniformed Protective Policing (Airport Security Under Contract)	X (RCMP)	X (Calgary Police Service)	X (RCMP)	X (Winnipeg Police Service)	X (Peel Police Service)	X (Ottawa Police Service)	X (Montreal Police Service)	X (RCMP)

Organized Crime Groups at Canada’s Class 1 Airports

Canada’s airports are susceptible to criminal exploitation and infiltration, particularly at the major international airports that receive frequent flights from either source or transit countries for various types of contraband. The volume of passengers and cargo traffic at Canadian airports on a daily basis presents the opportunity for organized crime groups to exert their influence to facilitate the movement of illegal commodities. Airports are a conduit for criminals and organized crime to move contraband domestically and to other international markets.

Based on the files reviewed for this assessment, 58 organized crime groups were identified as working within or utilizing the eight Class 1 airports included in this report. Organized crime has utilized the airport environment to move illicit commodities into and throughout Canada. Over half of the groups (32) have been known to facilitate the movement of illegal contraband through the airports by corrupting existing employees⁸ or by placing criminal associates into the airport workforce. Of the remaining 26 organized crime groups, some have exploited the airports to move illegal contraband domestically within Canada, as well as importing and exporting illegal contraband internationally.

In 2007, some 971 criminal organizations were identified by Criminal Intelligence Service Canada (CISC). Their scope of activities ranged from small, local crime groups to large and sophisticated transnational organized crime networks. Approximately 230 of these organized crime groups were involved in transnational smuggling activities.



The majority of organized crime groups in Canada are small in scope and nature but some have the capacity to operate at a high level with sophisticated operations. Organized crime groups are involved in a variety of criminal activities, including illicit drug and firearm trafficking or smuggling, financial crime, vehicle theft,

⁸ For the purposes of this report airport employees includes any individual working within the airport environment. This includes employees working inside or outside the terminal for a wide variety of companies.

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illegal migrant smuggling and human trafficking. Groups posing the biggest threat are typically involved in more than one type of criminal activity. Drug trafficking is the mainstay of organized crime activity, but groups continue to expand into other criminal areas, including money laundering, intellectual property crime, counterfeit currency/credit cards, fraud and illegal migration.

As shown in the RCMP's 2006 Drug Situation Report, the involvement of organized crime has significantly expanded the Canadian drug trade, posing a major threat both domestically and internationally. Criminal organizations have branched out into multi-commodity trafficking, importation and exportation. These organizations are powerful, well-connected and are dealing in high profit-yielding illicit ventures across the globe.

Ports – airports, marine ports and land-border areas – are crucial to the success of many organized crime groups moving illicit commodities, within Canada and from source or transit countries. Organized crime groups continue to develop strategies to exploit Canada's borders and are highly adaptive in exploiting security weaknesses. The nature of the threat posed by organized crime groups continually evolves as groups adapt their modus operandi in response to law enforcement efforts.

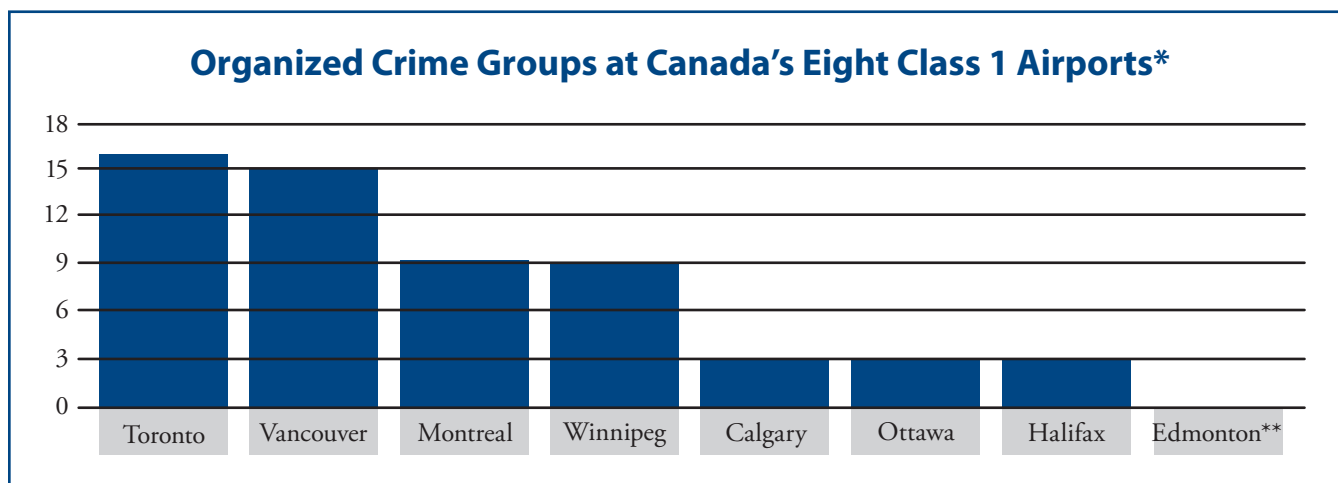
Large RCMP investigations show organized crime groups have used Canadian airports to move illicit commodities into and throughout Canada. Many of these investigations, such as Projects COLISÉE, OCOOK and DEFENSE, involved airport employees assisting organized crime groups in illegal smuggling. These projects are discussed in more detail in the section entitled Organized Crime Groups Linked to Internal Conspiracies.

The majority (38) of the organized crime groups identified in this assessment had established links to Canada's three largest airports – Toronto, Montreal and Vancouver. Of all the Canadian airports, these three have the greatest amount of passenger and cargo traffic, as well as direct routes from high-risk source and transit countries.

This presents a greater opportunity for organized crime to exploit these airports in order to facilitate the movement of illicit commodities. Of the organized crime groups with links to the Toronto, Montreal and Vancouver airports, over half (61%) were involved in importing and/or exporting illicit drugs internationally – with some having connections to organized crime groups abroad.

“As a rule, the bigger and busier an airport, and the more significant its international connections, the greater the likelihood of its having a larger and more deeply entrenched problem with crime.” The Independent Review of Airport Security and Policing for the Government of Australia (The Wheeler Report), September 2005.

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* Based only on collected data

** Data was unavailable

Types of Criminal Activity by Organized Crime Groups

The illicit drug trade remains the predominant criminal market in Canada, with organized crime either directly or indirectly influencing all aspects either through production, importation and/or distribution. Approximately 80% of the identified organized crime groups in CISC's 2006 annual report were involved in the illicit drug market.

Of the organized crime groups identified in this assessment (58), where the nature of their criminal activities was known, 37 groups were involved in the illicit drug market. The most predominant drug smuggled by these organized crime groups was cocaine, with 71% of the organized crime groups facilitating cocaine importation into Canada by air.

The following is an example of organized crime involvement in smuggling cocaine through airports:

- One organized crime group was discovered to be involved in cocaine importation from the United States for domestic distribution. Members of

the group were believed to have transported multi-kilograms of cocaine from Vancouver to Montreal aboard commercial flights. Couriers boarded flights with cocaine stored inside checked luggage. An RCMP project targeting this group resulted in four individuals being charged with possession for the purpose of trafficking.

The Drug Situation Report shows that the majority of the cocaine seized in Canada was smuggled from the United States by land, although direct international flights, especially those from transit countries in the Caribbean, continued to facilitate cocaine importation into Canada by air. There were 152 cocaine cases included in this strategic assessment. Of the 123 cases in which seizures occurred and where the country from which the flights originated was known, 63 (51%) of the flights originated in Caribbean countries. There were 31 seizures from South American source and transit countries.

A total of 31% of the identified organized crime groups are suspected of being involved in importing or exporting marihuana using Canadian airports. A total of 63 seizures involving marihuana was included in this report.

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The Canadian marijuana market is supplied primarily by domestically grown cannabis. However, in 2006, almost all of the 804 kg of marijuana that were seized at Canadian borders (air, land, marine) originated in Jamaica. In keeping with this pattern, most of the cannabis seizures (28) in this report were from flights originating in the Caribbean, compared with 16 seizures from flights within Canada. Of the flights arriving from the Caribbean, all but three of them landed at Toronto International Airport.

A small number of organized crime groups identified in this assessment were believed to be involved in smuggling other illicit drugs through the airports. These included two groups involved in importing opium or heroin, two groups smuggling hashish, and two groups importing khat (*catha edulis*) into Canada.

Human smuggling⁹ also occurs through ports of entry. Canada is both a destination and transit country for smuggled people. Two organized crime groups in this assessment were identified as having used Vancouver and Toronto International Airports to smuggle humans into Canada. For example, one group was suspected of smuggling South Korean nationals through Vancouver International Airport, then driving them across the Canada-U.S. border.

Several of the organized crime groups were also involved in other criminal activities, including proceeds of crime, weapons offences, fraud, theft and copyright importations.

Organized Crime Groups Infiltrating the Airports

Criminal elements have operated within the airports either as independent criminal facilitators or as individuals who are directly linked, or indirectly associated, to

organized crime groups. Organized crime groups have attempted to exploit the airports by corrupting existing employees or by placing criminal associates into the airport workforce.

Organized crime groups have coerced or recruited individuals in legitimate businesses, including those at Canada's Class 1 airports. Criminal networks have been known to bribe employees to ignore criminality or to assist in criminal activities, including drug trafficking or theft. The success of organized crime groups at airports depends on their ability to take advantage of security gaps to move contraband without being subject to scrutiny.

There are 298 airport employees at the eight Class 1 airports listed in 793 law enforcement files that are included in this assessment. Forty-six had known links to organized crime and 47 were suspected to have a possible link to organized crime. As of August 2007, 68 of these airport employees were still believed to be employed at the eight airports.

Individuals in various positions at the airports have been linked to organized crime in this assessment. Organized crime groups with links to airport employees have been able to exploit employee access to restricted areas and knowledge of airport security to facilitate the movement of illicit commodities.

In this assessment, the most common link between organized crime groups and airport employees was through membership or association. Of the 58 organized crime groups included in this assessment, 17 groups had members or associates employed at six of the Class 1 airports – Vancouver, Calgary, Winnipeg, Ottawa, Toronto and Montreal (Trudeau).

All of these 17 organized crime groups were involved in trafficking illicit drugs. The employees who are members/

⁹ Human smuggling is a business transaction between two willing parties involving movement across borders, usually by illegal means. It occurs with the consent of a person(s), and the transaction usually ends upon arrival. Human smuggling can be the first phase to human trafficking. Trafficking in persons involves the recruitment, transportation or harbouring of persons for the purpose of exploitation, typically in the sex industry or for forced labour.

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associates of the groups were suspected of using their airport employment to facilitate criminal activities for the organized crime groups.

An example:

- The membership of one organized crime group was comprised of current and former employees of two airports. The group was suspected of using its access at the airports to facilitate the movement of illicit drugs within Canada. Some of the former airport employees who were members of this group have been arrested and have subsequently had their secure access revoked. Having members of the group employed at airports allowed opportunity for criminal activity through access to secure areas, as well as lower-cost travel for other members of this organized crime group.

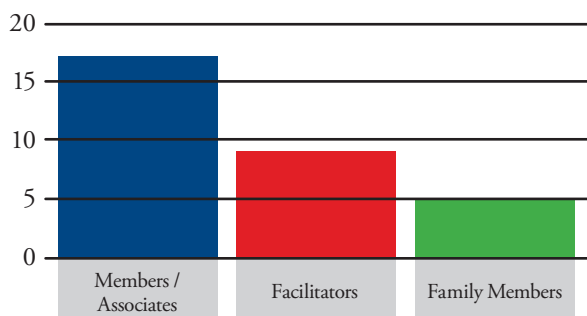
The following is an example of an employee who worked as a facilitator for an organized crime group:

- One organized crime group based in the Calgary area was believed to be trafficking marihuana, smuggling humans and carrying out intimidation and theft. The group was linked to an employee. The employee facilitated travel for group members through the use of Companion Passes.

There were five organized crime groups with links to family members/spouses who were employed at the eight airports. While most of the law enforcement files did not indicate that the airport employees were involved in any criminal activity because of their family connections to organized crime, a potential threat existed.

Employees of air carriers are especially valuable to organized crime due to their ability to facilitate travel for friends and family through Buddy or Companion Passes.

Breakdown of Organized Crime Groups' Use of Airports



A total of nine organized crime groups had links to employees at the airports who facilitated the movement of illegal contraband through the airports.

- In 2006, an employee working for an air carrier at one airport had two members of an organized crime group on his Companion Pass list. This group was known to be involved in trafficking marihuana, human smuggling, intimidation and theft. This link between an air carrier employee and a criminal organization suggests the group may have had inside knowledge of airport security, information which could be used to facilitate its criminal activities.
- Another former employee of an air carrier at one airport continued to travel on Companion Passes with individuals with links to outlaw motorcycle gangs.

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Organized Crime Groups Linked to Internal Conspiracies

Canada's main contraband smuggling threat by air mode is through internal conspiracy. Internal conspiracy for the purpose of this report is defined as people working within the airport facilities and utilizing their work position to conspire with other individuals to commit or facilitate a criminal offence at the airport. Often those conspiracies involve elements of organized crime.

Internal conspiracies at Canada's major airports are one of the biggest threats at Canadian ports of entry. Project COLISÉE, an investigation led by the Combined Forces Special Enforcement Unit¹⁰ (CFSEU), uncovered a series of conspiracies to import cocaine to Canada from various Caribbean and South American countries. The investigation indicated a criminal organization was believed to have controlled the importation of drugs via the Montreal International Airport. Ninety people faced charges in relation to these illegal activities, including current and former employees of the Montreal International Airport.

In another example of internal conspiracy, law enforcement also made a number of seizures at Toronto International Airport. In July 2007, as part of Project OCOOK, the Toronto Airport Drug Enforcement Unit¹¹ arrested and charged eight people with drug-related offences in relation to the importation, exportation and trafficking of approximately 39 kg of Ecstasy tablets, 3 kg of cocaine, 3.6 kg of marijuana and \$106,000. This group is believed to have had members of its criminal network working within the airport who were able to utilize their positions to facilitate the movement of drugs and money to and from Canada.

As a result of Project OCOOK, four airport employees were charged with theft-related offences. These individuals worked for two separate companies at Toronto International Airport and were suspected of stealing personal items from travellers' luggage as well as electronic goods from cargo shipments. One of the accused was also charged with conspiracy to import cocaine. This case is still before the court.

Project DEFENSE (2006), an investigation by the Manitoba Integrated Organized Task Force¹², focused on high-level drug trafficking cells, including members of the Manitoba Chapter of the Hells Angels. Thirteen individuals were indicted on charges related to drug trafficking, extortion, proceeds of crime and organized crime-related offences. During the investigation, police made numerous seizures totaling 7 kg of cocaine and 3 kg of methamphetamine. The project revealed links between the Manitoba Chapter of the Hells Angels and employees at Winnipeg International Airport.

Employees Involved in Criminality

"Staff can be bribed to ignore criminality or paid large sums to assist in drug trafficking or theft. Once compromised, such employees may be unable to stand up to terrorists. Any airport staff who are not thoroughly background checked and routinely searched are potential weak links."
 -- An Independent Review of Airport Security for the Government of Australia (The Wheeler Report), September 2005.

Among the 1,326 individuals listed in the law enforcement files that make up this report, 298 were airport employees.

¹⁰ The Combined Forces Special Enforcement Team is a multidisciplinary team tasked with investigating major crime in partnership with local, national and international agencies.

¹¹ The Toronto Airport Drug Enforcement Unit is comprised of law enforcement personnel from the RCMP, Peel Regional Police, CBSA, Toronto Police Service and the Ontario Provincial Police.

¹² The Manitoba Integrated Organized Crime Task is comprised of RCMP "D" Division, Winnipeg Police Service and Brandon Police Service.

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Based on the available data, 137 of the 298 airport employees included in this report were implicated in criminal activity at the airport, with the overwhelming majority involved in illicit drug-related activity involving: cocaine, hashish, marihuana, Ecstasy/MDMA and khat. Employees were directly involved in smuggling 537 kg of cocaine, 393 kg of hashish, 141 kg of marihuana, 39 kg of Ecstasy/MDMA and 2,200 bundles of khat. The drugs were smuggled via air mode. There is obviously a need for vigilance in monitoring employee access to restricted areas and for determining any unusual patterns to that access.

While employees that had been involved in criminal activity worked at all eight of the airports included in this report, of the 298 employees, the majority worked at the three airports that have the largest workforces – Toronto, Montreal and Vancouver.

More than half of the employees in this report worked for ground services companies that work either around airplanes or airport terminals or held positions such as baggage handlers, ramp attendants, cargo handlers, food caterers and aircraft refuellers. These types of jobs give employees extensive access to aircraft and/or luggage, which can be used to smuggle illicit commodities. Other employment sectors include security companies or public agencies, cargo, courier companies and passenger services companies around the terminal. In many of the cases included in this assessment, the job category of the employees involved in criminal activity was not made available.

Due to the type of work involved, all of these employees would have RAICs which give airport employees access to areas not accessible to the public. RAICs are only given

to employees who have received a security clearance from Transport Canada. Individual airports decide to which areas of the airport an employee's RAIC will grant them access.

Approximately 2,300 airport employees across Canada are physically screened each day to ensure restricted items are not brought into secure areas.¹³ Wands and/or physical searches are used. In addition, everything an employee carries with them is also subject to a search. It is important to note that the objective of the RAIC program and non-passenger screening is to prevent unlawful interference with civil aviation and not to detect criminal activity.

However, a 2007 report by the Senate Standing Committee on National Security and Defence¹⁴ found that only 1% of airport employees working in restricted areas were being checked as they entered and none were checked as they left. By way of comparison, in the United Kingdom, all non-passengers at major airports must be screened each time they enter a restricted area.¹⁵

Security Clearance Issues

“Unless criminal activity is interfering with aviation business, it’s just another package.” (A senior Airport Authority executive, speaking at the Canadian Aviation Security Conference, March 2008)

Statistical information about the number of airport employees with criminal records, or details that would indicate whether that criminal activity involved illicit drugs or organized crime, were not provided by Transport Canada for the purposes of this report. As a result, information included in this report concerning employees with criminal records was derived only from law enforcement files where such details were included. Of

¹³ CATSA website: <http://www.catsa-acsta.gc.ca/english/media/information/raic-cizr.shtml>.

¹⁴ An Update of Security Problems in Search of Solutions: <http://www.parl.gc.ca/39/1/parlbus/commbus/senate/com-e/defe-e/rep-e/repmar07-e.pdf>

¹⁵ 2006 Advisory Panel's Review of the Canadian Air Transport Security Authority Act.

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the 298 current and former airport employees included in this report, some employees had criminal records while others had been arrested or charged.

Of the employees with criminal records, six of the offences were drug-related, followed by two that were weapons offences. The remaining offences included assault, theft, mischief or obstruction. Most of the employees were convicted prior to 2006, with dates ranging from 1987 to 2001.

Eight employees were charged; five with drug-related offences and three with weapons, assault or theft-related offences.

The aforementioned examples of employees with criminal records highlight gaps in the security clearance process of employees. These gaps may include shortcomings in employment rules and their application, particularly in the case of drug offences and/or organized crime related convictions. Another possible reason could be that the RCMP and CSIS share insufficient information with Transport Canada to aid its deliberations and decision-making.

There can be a lack of awareness by non-law enforcement agencies of the significant threat organized crime poses at the airports. As a result, individuals with criminal records have been able to obtain passes to restricted areas. Some methods of contraband concealment by airport employees, which will be discussed in more detail later in this report, can be a threat to passenger safety. The same methods used by organized crime could potentially be used to assist a terrorist organization.

One of the challenges to cooperation among security partners is that threats are interpreted differently by law enforcement and other agencies, such as Transport Canada. Transport Canada considers each application on its own merit and a conviction for a criminal offence is in itself not a barrier to a security clearance. For example, a record for drug importation might require an applicant's case to be referred to an advisory body for further deliberation.

The RCMP and CSIS are mandated to conduct security inquiries on RAIC applicants, as requested by Transport Canada, however, limited RCMP resources and technological impediments have hindered the efficiency of the process.

Employees Linked to Internal Conspiracies

Internal conspiracies, defined previously, constitute a significant threat at the eight international airports included in this report. While airport employees who are linked to organized crime were discussed in the organized crime section of this report, this section includes cases in which employees were linked to internal conspiracies.

Twenty-seven cases of confirmed internal conspiracy and 62 cases of suspected internal conspiracy are included in this report. The vast majority (84%) of these cases are drug-related.

Of the 250 employees involved in confirmed or suspected internal conspiracies, 18 were linked to a confirmed internal conspiracy while 232 were involved in a suspected internal conspiracy.

There were a total of 335 cases involving khat, not all of which involved organized crime. Based on the data available to this project, there were far more khat cases than any other commodity, including cocaine and marihuana. However, it is important to note that cocaine and marihuana smuggling remains significant due to the fact it is driven by organized crime and generates high profits. The vast majority of khat cases (98%) occurred at three airports – Toronto, Montreal and Ottawa. This trend is in keeping with the strong demand for khat in the Toronto, Montreal and Ottawa regions where larger concentrations of Somali, Yemeni, Ethiopian and Kenyan communities are found.¹⁶

The air transportation stream is the most common method used to smuggle khat into Canada because the plant's potency diminishes rapidly after it has been harvested. More than half of the khat seizures (57%)

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included in this report were effected from passengers or cargo arriving from the United Kingdom, where khat is not prohibited. As long as khat remains legal in the United Kingdom and throughout Europe, flights from the region will likely continue to be a popular route for couriers of the drug.

There are numerous other examples of criminal activity that could have been carried out only by an employee or a group of employees who had the kind of access to aircraft that would facilitate the concealment of contraband.

Links between Airports

Of the 152 cocaine cases included in this report, 8% of them involved smuggling within Canada. Four of these domestic cases indicated a pattern of cocaine coming into Winnipeg International Airport from Vancouver International Airport and proceeds going to Vancouver from Winnipeg. In addition to the cases in which cocaine originated in Vancouver and was seized in Winnipeg, in 46% of cases the cocaine originated in Vancouver and was smuggled to other airports. This indicates Vancouver International Airport has been an exit point for cocaine destined for other major Canadian cities. There were also a few examples of cocaine being smuggled domestically between two other Class 1 airports.

Of the 58 organized crime groups included in this report, police files showed a link between 10 of the groups and two or more airports – including Vancouver, Calgary, Winnipeg, Ottawa, Toronto, Montreal and Halifax. Sixty per cent of these organized crime groups were known to be utilizing Toronto International Airport to conduct illicit activities, followed by 50% at Vancouver International Airport.

Of the 10 organized crime groups believed to be active in the illicit drug trade, the most predominant drugs smuggled were cocaine and marijuana, followed

by heroin and khat. There were indications that the organized crime groups utilizing several Class 1 airports were involved in drug smuggling throughout Canada, which demonstrated domestic activity and not solely international importing and exporting through the airports.

There were two groups with links to three Class 1 airports. One of these groups was based in Ontario but operated on an international level and was suspected of importing and trafficking illicit drugs. This group used Toronto International Airport, Montreal International Airport and Vancouver International Airport as ports of entry.

A criminal network included in this assessment is identified as one of the largest khat smuggling operations in Canada and is linked to the Ottawa, Vancouver and the Toronto International Airports. These links, combined with the number of importers and exporters involved in this criminal network, indicate its extensive reach.

One organized crime group was believed to be utilizing drug couriers to smuggle heroin concealed in suitcases with false compartments through Vancouver International Airport and Toronto International Airport.

Cargo Screening

Statistics Canada data from 2006 shows a total of 786,437 tonnes of loaded and unloaded cargo at Canada's top 50 airports, an increase of 9.8% from 2005. Eighty-nine percent of the total cargo in 2006 was shipped through the eight Class 1 airports included in this assessment (Table 3).

In 2006, international air cargo represented the largest share of the total air cargo in Canada, at 40%, followed by domestic air cargo at 35% and transborder air cargo at 25%. Transport Canada forecasts continued growth in

¹⁶ RCMP Drug Situation Report, 2006, Pg. 8.

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international cargo traffic, given increasing global trade, particularly with Asia. Traffic in the domestic sector is expected to continue to decline.¹⁷

Air cargo can be shipped various ways: in the hold of passenger aircraft, on combination passenger/cargo aircraft and on dedicated cargo aircraft. Passenger aircraft are the primary means for cargo transportation.

There are 199 law enforcement files included in this assessment that involved illicit commodities smuggled through the air cargo stream. Of these files, 92% involved shipments of illicit drugs.

Other Trends of Interest

Heroin

Thirty-nine per cent of heroin cases at Toronto International Airport originated in Latin American countries.

This is in keeping with the recently identified increase in availability of Latin American heroin in the Canadian market. In 2000, heroin from this region represented barely two per cent of all Canadian heroin seizures but rose significantly to 38% by 2005.

By contrast, all heroin seizures included in this report that were effected at Vancouver International Airport originated in India. India remains the primary source or transit country for heroin smuggled into Canada.

Counterfeit Goods

There are 16 cases of counterfeit goods included in this report: all of them at Vancouver International Airport. Almost all of the Vancouver files involved seizures from international arrivals. The majority of these files involved seizures in which counterfeit goods, such as fashion apparel.

China is one of the fastest-growing sources of arriving flights at Vancouver International Airport. Four new

Table 3: Tonnes of cargo loaded and unloaded in 2006

International Airport	Loaded	Unloaded	Total	Change in per cent from 2005
Calgary	27,350.4	30,973.1	58,323.5	3.3
Edmonton	2,430.4	4,207.8	6,638.3	42.8
Halifax	15,521.8	4,951.3	20,473.1	49.4
Montreal *	31,797.9	45,062.4	76,860.3	-0.4
Ottawa	4,329.6	4,000.5	8,330.1	5.3
Toronto	161,215.1	205,514.2	366,729.3	13.6
Vancouver	76,186.5	73,807.2	149,993.7	1.3
Winnipeg	7,981.7	8,105.6	16,087.3	38.9
Total	326,813	376,622.1	703,435.5	

* Montreal/Mirabel International Airport was not included in this assessment. In 2006, a total of 41,241.2 tonnes of cargo was loaded and unloaded at Mirabel International Airport.

¹⁷ Transport Canada, Economic Analysis Directorate, Aviation Forecasts, 2006-2020 (July 2007)

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flights per week have been added between Vancouver and Hong Kong. This is in addition to the current schedule of daily flights arriving from China through other airlines.

Counterfeit Currency

Unlike the Vancouver files, which deal with counterfeit goods, three of the counterfeit cases detected at Montreal International Airport involved currency (cash and travellers' cheques) and one involved credit cards.

There was also one case of counterfeit travellers' cheques at Edmonton International Airport.

Theft

There are 42 theft cases included in this strategic assessment. Of that total, 74% (31) were reported at Calgary International Airport. Electronics, such as cameras and iPods, were the most popular items stolen. Twenty-one per cent of the theft cases have been identified as possible internal conspiracies.

It should be also noted that the high number of theft files reported at Calgary International Airport is not necessarily reflective of a specific problem at that airport, but rather could be the result of the fact more of these files were provided to investigators for inclusion in this report. There have also been similar thefts from baggage reported at Vancouver International Airport.

While incidents of theft involving airport employees might not appear to be as significant as other more serious offences, they could signal more serious criminal activity.

Conclusion

Organized crime is clearly present at Canada's Class 1 international airports. Airports will continue to be exploited by those organized crime groups that succeed at corrupting existing employees or positioning criminal associates within the airport workforce.

There have been many cases of airport employees capitalizing on the opportunities offered by their employment in order to facilitate or commit a variety of criminal offences for their own personal benefit and not for that of a group.

The rise of emerging markets such as China and India is realigning patterns of trade internationally, increasing Canada's trade of legitimate commodities. Increased trade with China and India results in more routes and opportunities for illicit trade.

Improvements are required in relation to inter-agency cooperation. Greater intelligence-sharing and joint investigation, such as those used in Project COLISÉE, demonstrate the success that can be achieved through targeted law enforcement efforts at Class 1 airports.

Organized crime groups are highly adaptive in taking advantage of security weaknesses. With the expected growth of air travel and the importance of airports across Canada, it can be anticipated that organized crime will continue to exploit airports as a port of entry to facilitate the movement of illicit contraband.

APPENDIX A

METHODOLOGY: LIST OF ALL CRITERIA USED TO SELECT DATA

Commodity	Criteria
Marihuana	1 kg or more
Hashish or Hashish Oil	1 kg or more
Cocaine	1 kg or more
Khat (Catha Edulis)	1 kg or more
MDMA/Ecstasy	1,000 units
Methamphetamine	1 kg or more
Heroin or Opium	All
Other synthetic drugs	1,000 units or 1 kg
Precursor chemicals	All
Contraband tobacco	Case by case
Contraband alcohol	Case by case
Diamonds / Jewellery	Case by case
Explosives	All
Restricted weapons	All
Currency	\$10,000 or more
Counterfeit goods	Case by case
Illegal entries (human)	All

Criminal Activity	
RAIC violations	All
Theft	All
Identity theft	All
Fraud	All
Violent crimes	All
Employee corruption / Internal conspiracy	All
Organized crime	All