

SL-811/b-06



BACKGROUNDER



CATSA's Business Lines



Over the last four years, CATSA has made significant progress in putting the people, programs, processes and systems in place to transition from a "start-up" corporation to a mature, strategy-focused organization.

CATSA currently provides essential security screening services at 89 designated airports across Canada – screening 37 million passengers per year, approximately 800,000 non-passengers annually and 60 million pieces of checked luggage annually. The Authority works closely with Canada's airlines and airports through organizations such as the Air Transport Association of Canada and the Canadian Airports Council to ensure that its operational activities support rather than hinder these industries. CATSA also continues to work with Transport Canada and with domestic security partners. As a result, CATSA has helped secure the national aviation system and boosted passenger confidence, as evidenced by the consistent rise in passenger volumes, which are now above pre-September 11th levels.

Committed to making Canada's air transportation system ever more secure, CATSA is now pursuing a strategy to ensure that it evolves as an aviation security authority – one that deploys its resources and aligns its actions strategically so that it can continuously improve in fulfilling its mission and continue to support the National Security Policy with distinction as a leading, world-class air security authority.



CATSA is now pursuing a strategy to ensure that it evolves as an aviation security authority — one that deploys its resources and aligns its actions strategically so that it can continuously improve in fulfilling its mission and continue to support the National Security Policy with distinction as a leading, world-class air security authority.



1.0 BUSINESS LINES

To fulfill our mandate, CATSA's activities are divided into six key aviation security services:

1.1 Pre-Board Screening of Passengers and Their Belongings ("PBS")

CATSA is responsible for pre-board screening at designated airports across Canada. In the pre-board screening (PBS) process – the most visible and public aspect of CATSA's operations – passengers and their carry-on baggage are inspected to ensure that prohibited items such as knives, firearms, incendiary devices, explosives, or any other threat items are not carried onto the airplane. CATSA endeavors to continuously improve the PBS process and to enhance screening performance. Recent accomplishments and upcoming initiatives include:

- Completion of formative evaluations and quality assurance assessments of PBS operations at all Class I airports.
- Implementation of a program at all Class I airports to increase passenger throughput; and to optimize the PBS layout in order to ensure that proper care and control of passengers and their belongings is maintained during the screening process, while maintaining security.
- Completion of a study of PBS layouts at Class I and II airports across
 Canada to identify deficiencies and develop recommendations that promote consistency and accommodate the needs of our industry partners.
 - > CATSA is now conducting an RFP process to solicit other options for PBS layouts. Equipment configuration, ergonomics, passenger processing and queuing are among the elements associated with enhancing the passenger experience while maintaining security standards. The intent of





this competition is to identify the process that is the most comprehensive, secure and innovative.

- Obtaining regulatory exemption for PBS that allows alternate screening procedures that are more flexible and operationally efficient.
 - > CATSA will continue to work in partnership with Transport Canada to seek regulatory changes that will allow the Authority to contain operational pressures without compromising security.
- Implementation of a comprehensive program to conduct simulated breach exercises at all Class I and II airports.
- Deployment of closed-circuit television (CCTV) cameras at Pre-Board
 Screening (PBS) checkpoints at Class I and II airports, adding another
 layer of security. The technology allows CATSA to react more quickly and
 effectively in the event of an incident and to provide headquarters support to
 PBS checkpoints.
- Operational trials of new explosives detection document scanners were conducted.
- Operational trial of "puffer" equipment at Pearson International Airport.





1.2 Screening Checked Baggage, or Hold-Baggage Screening ("HBS")

Through the use of state-of-the-art explosives detection system (EDS) equipment, CATSA is responsible for screening checked baggage at designated airports.

This responsibility includes the purchase, integration and certification of equipment while also overseeing its operation, maintenance and upgrade. Each passenger checks in on average 1.5 pieces of luggage, which means that the Authority's HBS equipment and screening officers screen over 60 million pieces of luggage each year. Recent accomplishments and upcoming initiatives include:

- Upon full deployment of EDS equipment to all 89 designated airports, CATSA was successful in meeting the Government of Canada's revised deadline by achieving 100% Hold Bag Screening (HBS) by December 31, 2005 -- one full year ahead of the original planned completion date. CATSA also collaborated with Transport Canada on a performance-based HBS regulatory framework.
- With 100% deployment of HBS equipment achieved, CATSA needs to ensure that the performance of the entire HBS system is maintained. The Authority will continue its oversight of all HBS systems, especially in-line systems, to ensure compliance with HBS regulations and CATSA standards. In the coming year, CATSA will focus on the issue of life cycle management of deployed equipment and on initiating formative evaluations for HBS.

1.3 Random Screening Non-Passengers ("NPS") Accessing Restricted Areas at Airports

Screening of non-passengers at restricted-area access points and/or inside restricted areas occurs on a 24 hour/7 day random basis at Canada's major airports. A non-passenger is any individual whose workplace is an airport, who visits an airport to provide a service or deliver goods, or who passes through an



Through the use of state of the art explosives detection system (EDS) equipment, CATSA is responsible for screening checked baggage at designated airports.



airport and requires access to the designated restricted areas. This includes flight crews, caterers, maintenance personnel, and baggage handlers.

The NPS program currently operates with mobile units of screening officers at restricted area access points to randomly select and screen non-passengers. Each day, approximately 2,300 airport workers, contractors and flight crew across the country are screened.

Non-passenger screening is another vital component in CATSA's layered approach to security.

Recent accomplishments and upcoming initiatives include:

- CATSA's NPS program began national deployment in 2004. The regulated requirement to implement NPS at all Class I and Class II airports was fulfilled by November 29, 2004.
- Negotiations are underway between CATSA and Class I airport authorities to acquire space at strategic access points into restricted areas to enable the establishment of 21 primary (fixed) NPS checkpoints. Establishment of these checkpoints will be considered in Phase 2 of the NPS program. To date six checkpoints have been constructed and equipped for screening operations at Halifax, Winnipeg, Edmonton and Calgary.

Establishing primary screening checkpoints will enable CATSA to deliver a more efficient screening service at high-traffic access points into the restricted areas; increase the number of non-passengers randomly selected for screening on a daily basis; and enable CATSA to respond to Emergency Directions or Interim Orders to address specific risks or threats. As a final benefit, CATSA would be prepared to respond to enhanced security measures (i.e. 100% non-passenger screening) that could be introduced by the Government of Canada.

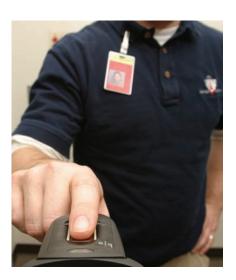
Non-passenger screening is another vital component in CATSA's layered approach to security.





1.4 Enhancing the Restricted Area Identification Card

All non-passengers who need access to restricted areas at the airport are required to carry a Restricted Area Pass. CATSA is working with Transport Canada and major airports to replace this pass with a Restricted Area Identification Card ("RAIC"). The addition of biometrics and centralized databanks in the RAIC will allow for the positive identification of the cardholder, and allow CATSA to track, in real time, the issuance, verification and cancellation of passes. This is the first time that a dual biometric system (iris and fingerprint identifiers) is being implemented in Canada. Recent accomplishments and upcoming initiatives include:



- 24,000 RAIC passes have been issued to date, of a total of 120,000.
- In 2005/06 the RAIC program evolved beyond the trials and the RAIC equipment is now deployed to all 29 designated Class I and II airports.
- In the coming year, the Authority will focus on completing the mass enrolment process. While mass enrolment of employees is the responsibility of the airport authorities, CATSA will provide assistance by supplying additional enrolment stations to help accelerate the enrolment process.
- CATSA has completed design of the Multi-Airport Pass (MAP) functionality
 of the RAIC program, which is intended for aircrew and other employees who
 have demonstrated the need and right to access restricted areas in multiple
 airports. While the criteria were provided by the Canadian Airports Council
 (CAC), the technical solution was developed by CATSA. Final testing of the
 functionality is in progress.
- CATSA is working closely with Transport Canada to establish a regulatory framework for RAIC that is consistent with CATSA's strategic objectives.
 Transport Canada issued draft regulatory requirements early in 2005 to which



CATSA provided feedback. Revised draft requirements were completed in November 2005 and are being considered by stakeholders as part of the formal consultation process, but final regulations have yet to be promulgated.

• CATSA is piloting a Secure Identification and Time Tracking (SITT) project at Montreal's Trudeau Airport to better control and verify access by CATSA screening officers to the secure area of the airport. The purpose of SITT is to provide an additional layer of security by positively identifying screening officers accessing or working in the restricted zone. The program will also provide a process for verifying billing accuracy and providing an effective audit trail for all hours worked.

CATSA believes that SITT greatly enhances the Authority's ability to carry out its mandated activities. Improved oversight and tracking systems are crucial to CATSA's core functions, providing additional layers of security to the overall system. However, further implementation of SITT projects across the country is dependent on the availability of sufficient funding. The project is on hold pending future funding levels

Following deployment, CATSA's focus will turn to maintenance and support
of the existing systems. In future years, attention will be given to life cycle
management of the RAIC system equipment to ensure that it meets the latest
standards of security and encryption. Research and analysis of new biometric
technologies will also be required to select new products for replacement of
legacy equipment





1.5 Administering the Canadian Air Carrier Protective Program

CATSA provides funding to the Royal Canadian Mounted Police (RCMP) to place specially trained police officers onboard Canadian commercial aircraft on selected domestic, trans-border and international flights, and all flights to Reagan National Airport in Washington, D.C. CATSA continues to work collaboratively with the RCMP and Transport Canada on this program. Recent accomplishments and upcoming initiatives include:

- Administering the funding program that enables the RCMP to deploy Aircraft Protective Officers (APOs) under the Canadian Air Carrier Protective Program (CACPP).
- Continuing the quarterly evaluation process to ensure the program is meeting its goals.
- Monitoring the development in RCMP recruiting strategy that will ensure
 full staffing levels within the program. Unfortunately, recruiting is a challenge
 as interest from RCMP personnel is low at the present time. The RCMP is
 committed, together with CATSA, to exploring avenues for meeting this
 challenge and has created a working group to identify all possible ways to
 accomplish CACPP staffing objectives.

1.6 Administering Airport Policing Funding Agreements

Under Transport Canada regulations, certain airports are responsible for providing aviation-related policing at airports. CATSA provides funding to these airports in order to offset a portion of these costs for supplemental airport policing services. Recent accomplishments and upcoming initiatives include:

 Entering policing agreements and piloting the airport policing program with some Class II airports. The pilot projects are consistent with the government's





Smart Regulation initiative which encourages innovation in how desired policy outcomes are achieved.

- Successfully completed consultations with Class I airports on a new funding formula under the Airport Policing Program. CATSA completed its review of the current airport funding allocation for Class I airports.
- CATSA will continue in its efforts at funding rationalization for the policing program.

2.0 TRAINING AND CERTIFICATION

While screening officers are the employees of service providers, CATSA is responsible for their training and certification. The Authority has therefore developed and implemented the National Training and Certification Program (NTCP), which is built on a comprehensive "continuous improvement" framework that allows CATSA to meet all of its mandated responsibilities. CATSA's investment in its professionally-delivered training program improves the skills and performance of the screening officer workforce, which consistently receives positive feedback from both internal and external stakeholders.

In 2005, CATSA completed an extensive review of its administrative and operational programs and a decision was made to restructure its business model and processes for the overall delivery of training and certification of screening officers. As a result, changes were made whereby course delivery and scheduling would be conducted in-house by CATSA instructors and scheduling coordinators; and, all learning and certification programs would be integrated under a new group called Learning and Performance.

As a result of CATSA's reorganized training function, the Learning and Performance team has pursued new strategies to assist in meeting the evergrowing operational demands of both our internal and external stakeholders.



CATSA's training model supports proactive, integrated and collaborative client service and includes a more seamless, responsive approach to training aimed at increasing efficiency and effectiveness to facilitate national consistency.



CATSA's training model supports proactive, integrated and collaborative client service and includes a more seamless, responsive approach to training aimed at increasing efficiency and effectiveness to facilitate national consistency.

Major accomplishments in 2005 include:

- Development and implementation of a series of new and improved methods of training that use web- and computer-based learning systems to help enhance screening officers' capabilities in recognizing prohibited items.
 - Specifically, CATSA is completing a country-wide rollout and conducting operational trials of X-Ray Tutor (XRT) and Threat Image Projection System (TIPS) to provide enhanced training to screening officers at all Class I and II airports. TIPS is a program that operates on the x-ray machine to project images of threat objects into carry-on bags being x-rayed. The purpose of this system is to increase threat object awareness and increase the attentiveness of screening officers. XRT is also intended to increase screening officers' ability to detect threat objects, through a proven, individually adapted training program.
- Information sessions were held between CATSA's senior management and screening officers across the country to hear suggestions about how CATSA might improve operations and reinforce the crucial role that screeners play in ensuring air security.

