

*Security Intelligence Service*

As the Solicitor General (Mr. Kaplan) pointed out in his speech this morning, this Bill represents a major turning point for the Canadian Security Intelligence Service. The Bill was drafted with two major objectives in mind, the first being to provide a legal framework for the Security Service and the second, as important as the first, to strike a just and pragmatic balance between the protection of our national security and of civil liberties. About fifteen years ago, Mr. Speaker, the members of the Royal Commission of Inquiry on Security, Maxwell McKenzie, Yves Pratt and the Hon. H. J. Caldwell, stated the following in the Commission's report: The need for security practices exists mainly because the State has a duty to protect its information, institutions and policies against espionage, indiscretion, subversion and clandestine interference. History has shown that there have always been attempts at espionage, subversion and clandestine interference. In fact, such activities are going on at the present time, successfully or unsuccessfully, and they will probably continue in some way or other as long as international relations are based on the existence of sovereign states.

Twelve years later, the McDonald Commission, at the very beginning of its report, mentioned the same dangers described by the McKenzie Commission. In referring to activities of foreign agents, the McDonald Commission stated the following: These activities have not diminished, even though our country has not been at war for years and despite the lessening of international tension as a result of what the more optimistic among us call East-West Detente. In fact, in recent years the number of foreign intelligence organizations has not only increased but more and more, attempts are being made to use them against Canada, both for obtaining information and influencing our policies.

Over the past fifteen years or so, the issue of Canada's requirements for intelligence services have led to numerous and detailed studies as well as public debates which have kept the Canadian people and the Government increasingly aware of the ever growing complexity of threats to our country's security. The reports of the two royal Commissions to which I referred a moment ago have highlighted the painful but undeniable reality of life within the contemporary international community.

Today, Mr. Speaker, I would like to deal specifically with two subjects: first, international terrorism and, second, the so-called transfers of technology. Those two subjects stand as evidence of the increasing complexity of threats against intelligence services, and of the need for security organizations to respond with much more sophisticated and especially much more effective means.

Quite obviously, the technological explosion of the last thirty years has had a tremendous impact on the standard of living of western nations. As all Hon. Members know, we can see that in our daily lives; our defence capabilities and those of our

NATO allies are increasingly dependent upon our technological skills.

Despite the many restrictions imposed on the exportation of those skills, much of our know-how has been acquired by East Bloc countries where it is used almost exclusively for military purposes.

Indeed, a number of articles and books have been published recently on that subject. For instance, I might mention *The Falcon and the Snowman* which explains in detail the methods used to make those clearly illegal transfers of technology. We have heard about many cases of such activities in recent years and, with your permission, Mr. Speaker, I will mention a few.

First of all, I would remind the House that a Soviet trade representative was expelled from Canada in 1982 because he had secretly offered to a Canadian businessman a huge amount of money to buy restricted technology data in the field of optic fibres, saying that he would have no problems with Canadian export regulations.

Here is a second example. Three Soviet intelligence officers used Canada as a safe meeting place to obtain from an American engineer top secret information on military facilities in the United States. To accomplish their mission, they resorted to every imaginable traditional spying procedures and devices. Those agents were also thrown out of Canada.

And finally, a third example. As recently as last September, two Soviet diplomats based in Montreal were declared *personae non gratae* for attempting to obtain top secret high technology.

In my opinion, Mr. Speaker, those three extremely telling examples prove beyond the shadow of a doubt to what extent our secret technology is vulnerable and must be protected. They also indicate just how urgent it is to take action.

The second issue I wish to address is that of international terrorism, and in the introduction to its discussion on this threat to Canadian security, this same McDonald Commission wrote that the internationalization of terrorist activities since the end of the sixties has considerably increased this threat to Canada's security. It is interesting to note that the Royal Commission on Security did not even mention this threat in its 1968 report. It would be most presumptuous to predict the possible disappearance of the terrorist threat, because political fanaticism, instead of being on the decrease, is gaining in strength, and, unfortunately, modern technology often provides small groups of individuals with the means to threaten whole populations. Protection against terrorism will remain for a long time to come and without any doubt one of the major objectives of security measures. Throughout the world, the incidence of terrorist activities has increased dramatically in recent years. Like many other countries, Canada has had its own experience. For instance, Armenian terrorists have claimed responsibility for four bomb attacks, two extortion attempts and two assassination attempts aimed at Turkish