

**PROCEEDINGS AT HEARING
OF
MARCH 30, 2021**

COMMISSIONER AUSTIN F. CULLEN

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March 30, 2021

(Via Videoconference)

(PROCEEDINGS COMMENCED AT 9:30 A.M.)

THE REGISTRAR: Good morning. The hearing is now resumed. Mr. Commissioner.

THE COMMISSIONER: Thank you, Madam Registrar. Yes, Mr. Martland.

MR. MARTLAND: Thank you, Mr. Commissioner. We have four witnesses joining as a panel today. Before we start with that there's two items of housekeeping I'd like to address if I might, and these are matters that participants have been advised about and engaged on over the course of the last few weeks. It has to do with marking two different affidavits. Madam Registrar I hope has these at hand for the purpose of us processing them. The first is an affidavit from Corporal Karen Best which was really a followup item with respect to her testimony before the commission, and I see that we see now on screen the display of the affidavit, a very short affidavit from Corporal Best. We circulated that to participants. We offered the opportunity for participants to seek to ask questions of the affiant if there were any

1 arising from that and there weren't. So I'm
2 proposing to have this affidavit marked as the
3 next exhibit, please.

4 THE COMMISSIONER: All right. That I think will be
5 765.

6 THE REGISTRAR: Yes, exhibit 765.

7 **EXHIBIT 765: Affidavit number 2 of Karen Best**
8 **made on February 26, 2021**

9 MR. MARTLAND: Thank you. The second item is really
10 the same thing with respect to Jian Wei Liang.
11 And you'll see there an affidavit with some
12 redactions of address information or identifying
13 information to the affidavit. And likewise I'm
14 seeking -- we've again circulated to
15 participants, offered the opportunity for
16 examination of the affiant. None was sought,
17 and on that footing I'm asking to have this
18 marked as exhibit 766, please.

19 THE COMMISSIONER: Very well.

20 THE REGISTRAR: Exhibit 766.

21 **EXHIBIT 766: Affidavit of Jian Wei Liang made**
22 **on March 8, 2021**

23 MR. MARTLAND: Thank you. We are now in a position -
24 we can take that down, Madam Registrar, with
25 thanks. And we are in a position to move to the

1 panel that will take the duration of today's
2 hearing time, Mr. Commissioner. The panel
3 members are very senior members of the
4 province's -- some of the province's largest
5 municipal police departments, non-RCMP municipal
6 departments from Vancouver Police Department
7 Deputy Chief Laurence Rankin and Inspector Mike
8 Heard. From the Abbotsford Police Department or
9 APD Deputy Chief Constable Brett Crosby-Jones
10 and from New Westminster PD Inspector
11 Christopher Mullin. Mr. Commissioner, I believe
12 Deputy Chief Constable Crosby-Jones will affirm
13 and the others will swear, please.

14 THE REGISTRAR: Would each of you please state your
15 full names and spell your first name and last
16 name for the record. I'll start with Deputy
17 Chief Crosby-Jones.

18 THE WITNESS: (BCJ) First name is Brett. Last name
19 Crosby-Jones, C-r-o-s-b-y-J-o-n-e-s.

20 THE REGISTRAR: Thank you. And Inspector Heard.

21 THE WITNESS: (MH) Inspector Mike Heard. Last name
22 is H-e-a-r-d.

23 THE REGISTRAR: Inspector Mullin.

24 THE WITNESS: (CM) Inspector Chris Mullin. Last
25 name, M-u-l-l-i-n.

Brett Crosby-Jones (for the commission)
Christopher Mullin (for the commission)
Laurence Rankin (for the commission)
Michael Heard (for the commission)
Exam by Mr. Martland

1 THE COMMISSIONER: And Deputy Chief Rankin.

2 THE WITNESS: (LR) Laurence Rankin, R-a-n-k-i-n.

3 **BRETT CROSBY-JONES, a**
4 **witness for the**
5 **commission, affirmed.**

6 **CHRISTOPHER MULLIN, a**
7 **witness for the**
8 **commission, sworn.**

9 **LAURENCE RANKIN, a**
10 **witness for the**
11 **commission, sworn.**

12 **MICHAEL HEARD, a witness**
13 **for the commission,**
14 **sworn.**

15 **EXAMINATION BY MR. MARTLAND:**

16 Q Thank you. Madam Registrar, I think, did that
17 in alphabetical order by last name. I may be
18 doing that some of the time, but equally taking
19 some different sequence as we move along. I
20 will invite the panel members wherever you would
21 like to supplement an answer, add thoughts or
22 add to the discussion to simply not be shy to do
23 that even without invitation from me. As we
24 start I would like to canvass the backgrounds of
25 the witnesses, Mr. Commissioner. I'll do so

1 first with Deputy Chief Crosby-Jones, and, Madam
2 Registrar, if you could please display the
3 biography that we have for Deputy Chief
4 Crosby-Jones.

5 Sir, do you recognize that to be the
6 biography provided to the commission?

7 A (BCJ) I do.

8 MR. MARTLAND: I'd ask that this please be marked as
9 the next exhibit, Mr. Commissioner.

10 THE COMMISSIONER: Yes, very well. That will be,
11 then, 767.

12 THE REGISTRAR: Exhibit 767.

13 **EXHIBIT 767: Biography of Deputy Chief Brett**
14 **Crosby-Jones**

15 MR. MARTLAND:

16 Q Deputy Chief, you've been employed with the
17 Abbotsford Police Department for the past
18 30 years as we see on the biography. You served
19 in your current role as the Deputy Chief
20 Constable in charge of Operations since 2018; is
21 that right?

22 A (BCJ) That's correct.

23 Q You have a history that has seen you work in a
24 number of capacities within operational,
25 investigative and the administrative realms of

1 the APD?

2 A That's correct.

3 Q You have served in a senior leadership role in
4 the operations support branch and led the
5 department's response to the homelessness crisis
6 in Abbotsford in the investigative support
7 branch, developing the gang crime unit and
8 implementing new processes related to high risk
9 information; is that correct?

10 A (BCJ) That's correct.

11 Q Your operational experience includes over
12 25 years with the ERT, the Emergency Response
13 Team, as an operator, crisis negotiator, senior
14 non-commissioned officer and a critical incident
15 commander?

16 A (BCJ) Correct.

17 Q And your investigative experience includes both
18 constable and leadership roles in Crime
19 Suppression, Strike Force, and I'll just pause
20 to confirm Strike Force is a police team model
21 of covert surveillance; is that right?

22 A (BCJ) That is correct.

23 Q Street crime, patrol, bike squad and detective
24 role through your career?

25 A (BCJ) Correct.

1 Q You are also quite involved in the
2 BC Association of Chiefs of Police as well as
3 the BC Association of Municipal Chiefs of Police
4 and are involved in various committees and work
5 of those bodies. Is that right, sir?

6 A (BCJ) That's correct, yes.

7 MR. MARTLAND: Thank you. Madam Registrar, if we
8 could next move to Inspector Heard, and what
9 I'll ask to do is have his biography displayed,
10 please.

11 Q Inspector Heard, do you recognize that to be
12 your biography?

13 A (MH) Yes, I do.

14 MR. MARTLAND: All right. Mr. Commissioner, if that
15 could be please be marked as exhibit 768.

16 THE COMMISSIONER: Very well.

17 THE REGISTRAR: Exhibit 768.

18 **EXHIBIT 768: Biography of Inspector Michael**

19 **Heard**

20 MR. MARTLAND:

21 Q Thank you. Inspector Heard, you've served with
22 the VPD, Vancouver Police Department, since
23 1999, have worked in a number of capacities in
24 patrol, gang crime and robbery and arson and
25 assault and also with major crime section

1 homicide unit. Do I have that right?

2 A (MH) That's correct, yes.

3 Q You have been seconded in the past to FSOC, the
4 RCMP Federal Serious Organized Crime, as well as
5 CFSEU-BC combined special forces -- I'm getting
6 it wrong already -- Combined Forces Special
7 Enforcement Unit British Columbia. Do I have
8 that right?

9 A (MH) Yes, you do.

10 Q Okay. And you have served in the homicide unit
11 of VPD for a number of years, including for
12 seven years before being promoted to Sergeant in
13 2015?

14 A (MH) That's correct, yes.

15 Q Since 2015 you've been working in the --
16 assigned to the Court and Detention Services and
17 then back to Homicide as a Sergeant in 2016,
18 appointed Staff Sergeant in 2019 and then
19 assigned to serve as Aide to the Deputy Chief,
20 Mr. Laurence Rankin, who's with us, of the
21 Investigation Division?

22 A (MH) That's correct.

23 Q And since your promotion to Inspector most
24 recently, which is late 2020, you have since
25 been seconded to the RCMP as the Bureau Director

1 of the Criminal Intelligence Bureau of
2 British Columbia and the Yukon?

3 A (MH) That is correct, yes.

4 Q All right. You've worked within major case
5 management since 2004, a strong investigative
6 background specializing in particular in
7 homicide investigations, organized crime and
8 police corruption files?

9 A (MH) That's correct.

10 Q And you are an accredited Team Commander, the
11 recipient of a number of citations and
12 commendations and awards?

13 A (MH) Yes, that's correct.

14 Q All right. Thank you.

15 A (MH) Thank you.

16 Q I'll next move, please, to Inspector Mullin.
17 Madam Registrar, if we could first display the
18 CV which we see there, and I'll just pause.

19 Inspector Mullin, do you recognize that to
20 be your CV?

21 A (CM) Yes, that's correct.

22 MR. MARTLAND: All right. I'll ask please that that
23 become exhibit 769.

24 THE COMMISSIONER: Very well.

25 THE REGISTRAR: Exhibit 769.

1 **EXHIBIT 769: Curriculum Vitae of Inspector**
2 **Christopher Mullin**

3 MR. MARTLAND:

4 Q In addition to that, Mr. Commissioner, we have
5 the benefit of a biography which, as everyone is
6 seeing, I'm reading aloud from as I do these
7 summaries of backgrounds. Madam Registrar, if
8 we could please display the biography for
9 Inspector Mullin.

10 Inspector Mullin, do you recognize that to
11 be your biography, sir?

12 A (CM) Yes, that's correct.

13 MR. MARTLAND: I'll ask the biography please be
14 exhibit 770.

15 THE COMMISSIONER: Very well.

16 THE REGISTRAR: Exhibit 770.

17 **EXHIBIT 770: Bio update of Inspector**
18 **Christopher Mullin**

19 MR. MARTLAND:

20 Q And as we see there, Inspector, you began your
21 policing career with the Delta PD in 1996,
22 transferred to New West PD in 1998. You've
23 served in a number of positions as a Constable,
24 including uniform patrol, street crime unit, the
25 major crime unit and a period of two and a

1 half years with IHIT, the Integrated Homicide
2 Investigative Team; is that right?

3 A (CM) That's correct.

4 Q Is IHIT a body that's made up of RCMP as well as
5 certain of the municipal department members who
6 are part of that?

7 A (CM) That's correct.

8 Q All right. In the period of 2002 to '03 you
9 represented New West PD on a two-year joint
10 forces homicide task force dealing with ongoing
11 gang conflict in the Lower Mainland; is that
12 right?

13 A (CM) Yes.

14 Q And you were promoted to Sergeant in 2008, led
15 the department's major crime unit. In 2009 you
16 received your provincial Team Commanders
17 Accreditation; correct?

18 A (CM) That's correct.

19 Q And then promoted to Staff Sergeant in 2012. In
20 2013 assigned to the professional standards unit
21 to lead a significant *Police Act* investigation
22 until your promotion to Inspector in 2015?

23 A (CM) That's correct.

24 Q And then between 2007, 2015, you served as the
25 ad hoc member of the "E" Division Provincial

1 Interview and Interrogation Team?

2 A (CM) That's correct.

3 Q I said then but it really overlaps in the period
4 of time, but through that period of time you'd
5 served in that capacity, I take it.

6 A (CM) That's correct.

7 Q You have spent time with the CFSEU and as well
8 as the province's -- or sorry, with the CFSEU
9 where you were involved in overseeing five
10 investigation teams in the Lower Mainland as
11 well as the North District team in Prince
12 George?

13 A (CM) Yes, that's correct.

14 Q And you've had oversight of the OMG, which
15 unlike the way the kids use it for text messages
16 here it means Outlaw Motorcycle Gang portfolio
17 for CFSEU and sat on the OMG Tier 2 as a
18 co-chair for the CISC, the Criminal Intelligence
19 Service of Canada?

20 A (CM) That's correct.

21 Q Since 2015 you've sat on the province's Team
22 Commander Accreditation Committee; is that
23 right?

24 A (CM) That's correct.

25 Q Your present role is as the Inspector with the

1 New West PD Support Services Division. Do I
2 have that correctly?

3 A That is correct.

4 Q All right. Thank you, sir. Next I'll move to
5 Deputy Chief Rankin. First with the CV. Madam
6 Registrar, if the CV could please be displayed.
7 Deputy Chief, do you recognize that to be your
8 CV?

9 A (LR) Yes.

10 MR. MARTLAND: I'll ask this be marked as
11 exhibit 771, please.

12 THE COMMISSIONER: Very well.

13 THE REGISTRAR: Exhibit 771.

14 **EXHIBIT 771: Curriculum Vitae of Deputy Chief**
15 **Laurence Rankin**

16 MR. MARTLAND: Next Deputy Chief Rankin's biography,
17 please, Madam Registrar.

18 Q Same question, Deputy Chief, you recognize that
19 to be your biography?

20 A (LR) I do.

21 MR. MARTLAND: I'll ask this please be marked as
22 exhibit 772.

23 THE COMMISSIONER: Very well.

24 THE REGISTRAR: Exhibit 772.

25 **EXHIBIT 772: Biography of Deputy Chief Laurence**

1 **Rankin**

2 MR. MARTLAND:

3 Q Sir, as we see on the biography that's on
4 display, you've served with the VPD since 1987
5 in a number of operational, investigative and
6 administrative roles, including Patrol,
7 Emergency Response, the Justice Institute of BC
8 Police Academy as a seconded instructor, with
9 Domestic Violence and Criminal Harassment, the
10 Home Invasion Task Force, Sex Crimes, Polygraph,
11 Homicide, Professional Standards and Major
12 Crime. After reading that list I need to ask is
13 there anything you haven't worked on within the
14 VPD?

15 A (LR) I can't hold a job.

16 Q Well, it seems you've had your fingerprints on
17 every unit there may be at the VPD.

18 A (LR) Yeah, a few.

19 Q In the role that you've had as an Inspector you
20 led the major crime section, general
21 investigation section and the Integrated Riot
22 Investigation Team; is that right?

23 A (LR) That's correct.

24 Q Riot Investigation Team related to the 2011
25 post-Stanley Cup riots in Vancouver and the

1 ensuing numerous investigations leading to
2 prosecutions; is that right?

3 A (LR) That's correct, sir.

4 Q As a Superintendent you were assigned to
5 Personnel Services in charge of Human Resources,
6 Professional Standards, and Training and
7 Recruiting; is that right?

8 A (LR) That is correct.

9 Q And then as Deputy Chief since 2016 you were
10 assigned to the investigation division
11 responsible for all investigative areas of the
12 department which includes Major Crime, Special
13 Investigations, Organized Crime, General
14 Investigations, Forensic Services, Tactical
15 Support and Youth Services?

16 A (LR) Yes.

17 Q All right. And as we see in the biography you
18 hold a Master of Arts in Criminal Justice. You
19 completed the Canadian Association of Chiefs of
20 Police Executive Global Studies Program and in
21 that role or capacity studied international
22 approaches to cybercrime?

23 A (LR) That's correct.

24 Q And as with some of our other witnesses you are
25 Provincially Accredited Team Commander for major

1 case investigations?

2 A (LR) Yes.

3 Q You sit on a number of local and provincial
4 committees as well as working groups dealing
5 with a number of topics, including the opioid
6 crisis, management of serious crime
7 investigations, training standards and policy
8 development?

9 A (LR) Yes.

10 Q And you have a number of commendations and the
11 Order of Merit of the Police Forces from the
12 Governor General of Canada?

13 A Yes.

14 Q Thank you. Madam Registrar, we don't need that
15 document displayed further.

16 And I'll begin with quite a general question
17 and I don't have a -- I'm open to ideas in terms
18 of sequence. Maybe I'll suggest that we'll
19 start this alphabetically by department name
20 just for variety, so APD, New West PD, then VPD.
21 The question is really to ask you to please
22 describe in general terms the size of your
23 department and in a general level the
24 organization of the department. So how is it
25 that the department structures and organizes the

1 roles and responsibilities of its officers and
2 the work that's being done? Is that by topic
3 area, for example, robbery versus sex crime
4 versus financial crime. Is it by geography? Is
5 it a mix of those things? Why don't I start
6 with, as I say, with APD, with Deputy Chief
7 Crosby-Jones, please.

8 A (BCJ) Thank you. Our department is made up of
9 224 sworn members. We operate four different
10 branches within our office. The first one is
11 the patrol branch, obviously initial response to
12 calls for service. We have an investigative
13 support branch which is a first level
14 investigative branch with a [indiscernible]
15 general investigative section that has our intel
16 source handling and forensic identification
17 sections. Within that branch they do -- the
18 investigators do lower-level patrol-based
19 investigations that are, pardon me, just beyond
20 a bit of the patrol scope. Then we have our
21 major crime, our major crime unit, which is made
22 up of two teams of one NCO and eight detectives.
23 They take all major crimes, the
24 responsibilities. We also within that branch
25 have a crime reduction unit, which is a

1 property-based surveillance team and a drug
2 enforcement unit. They will take on the drug
3 crimes or property crimes. Then we have a
4 operational support branch, which is our
5 community policing, youth squad and traffic
6 branches.

7 Q Thank you. That's very useful. I'll turn next,
8 please, to Inspector Mullin from New West PD
9 with the same question.

10 A (CM) Yes. Our organization has 139 sworn
11 members, 35 civilian staff members. Of the 139
12 we have 27 sworn members currently assigned to
13 seconded units outside our organization such as
14 IHIT, CFSEU, FSOC, IMPACT. Units such as that.
15 Our leadership team consists of one chief, one
16 deputy chief and four inspectors. Internally,
17 our organization consist of four divisions,
18 namely patrol, support services division, which
19 I oversee, administration division and
20 prevention services. Patrol division consists
21 of four watches, a traffic unit, a uniform crime
22 reduction unit and our uniform gang suppression
23 unit. Our admin division oversees HR,
24 recruiting, finance, information technology,
25 Freedom of Information, our record section and

1 court services. Our prevention services
2 division oversees our domestic violence unit,
3 our special investigations unit, which generally
4 focuses on sex crimes, our victim assistance
5 unit and our child and youth resource unit,
6 along with training and our mental health unit,
7 in addition to all of the seconded members that
8 we have. And lastly my division, the support
9 services division, it oversees the criminal
10 investigation section, so our major crime unit,
11 which consist of a sergeant, a corporal and
12 eight detectives. Our street crime unit, which
13 consists of a sergeant and acting corporal and
14 eight detectives. A forensic ident unit, which
15 consist of a sergeant and three uniformed
16 members along with the civilian staff member
17 responsible for video. And outside of that I
18 also oversee the professional standards unit.
19 Patrol basically owns our department's frontline
20 response to calls for service and our major --
21 our support services division will handle any
22 sort of investigation that requires a major case
23 response to it, investigations that are a little
24 bit beyond the capacity and skill set of our
25 patrol members and that are a little bit more

1 resource intensive and complex. And violent
2 crime against persons tends to be the priority
3 of and the majority of investigations that we
4 work on here.

5 Q Thank you. Deputy Chief Rankin, or if you
6 prefer to assign this to Inspector Heard I'll
7 defer to you on that, but I'd ask the same
8 question in relation to VPD, please.

9 A (LR) Sure. I can speak on behalf of Inspector
10 Heard as well. Vancouver Police Department is a
11 medium-sized municipal police agency, has a
12 sworn membership of 1,348, a civilian membership
13 of 441. There are three divisions. The
14 operations division, which is basically our
15 frontline patrol officers responding to calls
16 for service and there's accompanying support
17 units. The second division is a support
18 services division and it's made up of five
19 different services. The first is the planning
20 research and audit. Second is the disciplinary
21 authority services. Personnel services,
22 information services and the financial services.
23 And then the division that I oversee, the
24 investigation division, and it's comprised of
25 401 sworn members and 67 civilian members. My

1 division is divided into two sections. The
2 investigative services, so that would be your
3 investigative investigators -- sorry, your
4 detectives, so major crime which encompasses
5 homicide, robbery, assault, arson, and missing
6 persons. Organized crime, which encompasses the
7 criminal intelligence unit, a drug unit,
8 organized crime units, our gang crime unit,
9 which is a uniformed component, and we have our
10 legal applications team and then our special
11 investigations section, so that would include
12 sex crimes, domestic violence, elder violence,
13 and we have components of integrated child
14 exploitation which investigates child sexual
15 abuse material, its production and distribution,
16 and then our counter-exploitation unit which
17 investigates human trafficking. And we have
18 child youth advocacy centre which deals
19 exclusively with children that are physically
20 and sexually abused, and then high-risk
21 offenders. So those that are out in the
22 community that are being monitored by the
23 police. And then on the invest, support side of
24 course speaks for itself, support units, so the
25 tactical support unit which covers anything --

1 all things covert. Our forensic services, which
2 is our CSI, if you will, our forensic
3 identification unit, firearms and tool marks and
4 forensic video, and then our general
5 investigation section, which includes financial
6 crime, property crime, and cybercrime, digital
7 forensics and such. And then finally our youth
8 services, which includes school liaison; we have
9 a cadet program with members assigned
10 exclusively to work with young students from
11 throughout the City of Vancouver. And we have a
12 mental health unit. And that basically
13 comprises the investigation division. We also
14 have 72 members that are seconded to RCMP
15 Federal Serious Organized Crime, integrated
16 marketing enforcement team, the waterfront joint
17 forces operation and CFSEU-BC in various
18 components or various units.

19 Q Thank you. That's very useful and I think is a
20 good predicate for my next question, which is to
21 ask each of you where within the structure of
22 your departments do financial crimes fall to be
23 addressed and in particular to the extent that
24 there is a distinction to be drawn focusing on
25 money laundering within financial crimes, where

1 do those cases typically would they be addressed
2 within the structure of the department. Deputy
3 Chief Crosby-Jones, why don't I start with you
4 again, please.

5 A (BCJ) Very low-level financial crimes would
6 likely be dealt with by our general
7 investigative section. More significant matters
8 would be dealt with for our major crime unit.
9 But we do have a limited capacity for money
10 laundering type investigations. Likely we would
11 seek outside assistance and resources for a
12 larger file.

13 Q Thank you. Inspector Mullin?

14 A (CM) Very low-level financial crime
15 investigations do occur at the patrol level.
16 The more complex fraud investigations where
17 there's significant loss are handled by our
18 major crime units, and as it relates to money
19 laundering we do not have a lot of visibility on
20 money laundering investigations here at
21 New West. Having said that, through some of the
22 drug enforcement investigations that our street
23 crime have carried out and in collaboration with
24 FINTRAC we certainly have identified the
25 potential to where we've seen evidence of money

1 laundrying and defer that, but just due to
2 capacity reasons we've not been able to take it
3 to that level.

4 Q Thank you. Deputy Chief Rankin or Inspector
5 Heard for VPD?

6 A (MH) I'll speak on behalf of VPD. So we have
7 two financial crime units that Deputy Rankin
8 discussed. Our money laundrying investigations
9 would be conducted by those teams. And then
10 also as well embedded within our organized crime
11 section we have an asset forfeiture unit. And
12 the asset forfeiture unit is comprised of two
13 full-time organized crime members. We've an
14 investigative analyst, an assistance and then
15 three members that are currently assigned there
16 for light duties that triage files for asset
17 forfeiture.

18 Q Thank you. I'm going to keep it at the very
19 general level for this next question. I'd be
20 very interested to hear from the panel members
21 about the types of responsibilities, priorities
22 that each of your departments face and have to
23 deal with and what you see as being key
24 challenges. And if you'd care to link that to
25 your -- I guess the sort of premise of the

1 question being is there sufficient -- is there
2 capacity or extra capacity sufficient to permit
3 the departments to really lock horns with money
4 laundering investigations, or conversely is
5 there just such a big demanding set of
6 obligations that are there already with existing
7 responsibilities and priorities that that is a
8 challenge or even impossible? Why don't I move
9 in the reverse order and start with VPD first,
10 please.

11 A (LR) Thank you. I'd like to begin because we're
12 a municipal department, a police department, we
13 are -- our employers are police board and so
14 we, and the police board is mandated to have a
15 strategic plan in place for its police
16 department. We're in the fifth year of a
17 strategic plan that was approved by the police
18 board in 2016 and there are four strategic
19 priorities that were developed with input from
20 the police board, membership with VPD and
21 external stakeholders. So to answer your
22 question, Mr. Martland, fighting crime is one of
23 the strategic priorities and that falls under my
24 command. And the strategic goals that we've
25 implemented to achieve that priority is fighting

1 crime and its causes, so that is a priority.
2 And what falls from that oftentimes are
3 investigations that we conduct of targeted
4 individuals proactively with projects, whether
5 it's in relation to the Metro Vancouver gang
6 conflict or reactively such as the case with the
7 homicide investigation, and/or forceable
8 confinements, kidnappings and such. So as a
9 result of those efforts we'll often conduct
10 those predicate offence investigations and then
11 we have, if you will, fallout from that would be
12 discovering that individuals we're investigating
13 are engaged in drug activity and that they're
14 making illicit profits from that. So the
15 proceeds of crime component would be form part
16 of the predicate offence but not the primary
17 component of the investigation, and then we
18 would use our asset forfeiture unit and initiate
19 a parallel investigation to look at obtaining
20 those proceeds of crime that for lack of a
21 better term often are as a result of real estate
22 mortgage enterprises, cryptocurrency,
23 underground banking, money service businesses
24 and such. So that's the -- those are the
25 priorities. Violent criminal offences that we

1 will conduct either proactively or reactively
2 with the fallout, if you will, of money
3 laundering.

4 Q Just so we have a clear understanding when you
5 talk about the police board you're describing
6 the Vancouver Police Board as constituted under
7 the *Police Act*; I take it that's the body you
8 are referring to.

9 A (LR) Yes, it is.

10 Q Does each of the departments have its own --
11 you're all under that *Police Act* sort of
12 superstructure, I suppose. Does each of the
13 departments have its own police board and could
14 there be differences between the directions that
15 one police board gives versus another?

16 A (BCJ) We each have our own police boards.

17 Q That's appreciated. All right. Maybe to ask a
18 question to sort of ask for your views on this,
19 Deputy Chief Rankin, to follow up. Would you
20 characterize the priorities and obligations that
21 VPD faces as being challenging, significant and
22 numerous?

23 A (LR) Yes, I would. And I think as well as it's
24 been in the media quite a bit as of late, with
25 recent budget cutbacks those challenges are

1 going to be even more significant for us. The
2 priorities with our department are ensuring that
3 our frontline officers or those positions are
4 staffed appropriately. They're the ones that
5 are responding in the first instance to some
6 very serious crimes. My division does the
7 followup investigation, but we are basically in
8 a position where each unit has vacancies at the
9 present time, so these challenges that we're
10 dealing with, these strategic priorities which
11 we will meet are presented or we are presented
12 with significant challenges.

13 Q Inspector Mullin, from New West PD's point of
14 view same question, how would you characterize
15 and how would you describe the number of
16 priorities and obligations that your department
17 faces?

18 A (CM) So, you know, in New West as the deputy
19 chief alluded to we are accountable to our
20 police board. We do follow a strategic plan.
21 The current one we have in place now expired in
22 2020 and as a result of COVID-19 we've been
23 unable to establish a new one, but we're working
24 on that currently. You know, our priorities
25 really do fall to local level issues as it

1 relates to violent crime. Property crime is a
2 significant fact for our organization. Our
3 major crime unit focuses primarily on files such
4 as investigations such as robberies or crimes
5 against children, sexual exploitation type
6 investigations, attempt murders, those sorts of
7 things. Our street crime unit essentially is
8 our only proactive unit and when they're not
9 assisting major crime on some of the more
10 significant investigations that they have
11 underway, they do tend to focus a lot on local
12 drug trafficking and distribution. Through
13 there we do have good working relationships with
14 our partner agencies within the Lower Mainland
15 and even provincially if the case may take us to
16 that level. But that's more or less the focus
17 of our proactive efforts as far as targeting
18 anyone that may be tied to money laundering.
19 They spend a great deal of time working with the
20 civil forfeiture office and have had really good
21 success as of late. Yeah, I hope that answers
22 your question sufficiently.

23 Q That's helpful. And, Deputy Chief Crosby-Jones,
24 why don't I turn to you next, please.

25 A (BCJ) Yes, thank you. I can echo what the other

1 two agencies said as well. We're governed by a
2 police board. We have a strategic plan that we
3 come out with every year. It's
4 Abbotsford-centric. Basically responding to
5 calls for service, ensuring we staff our
6 frontline resources in order to meet public
7 safety needs. We're looking at domestic
8 violence, our advancing mental health response,
9 our dealing with homelessness and our gang crime
10 issue. Proactively, similar to New West, we
11 have a gang crime unit, a drug enforcement unit,
12 a crime reduction unit. So based on some of
13 their investigations we do enter into financial
14 crime type files, but we are limited to our
15 ability to investigate and respond to those. A
16 lot of times those investigations lead to a
17 civil forfeiture avenue with regards to the
18 money received or financial gain or we go into a
19 partnership with our other municipal or RCMP
20 partners.

21 Q Deputy Chief Crosby-Jones, as you described that
22 it sounds like it's not a common place for your
23 department to be dealing with money laundering
24 cases specifically. Is that a fair way to
25 summarize it?

1 A (BCJ) Yes, I would say it's extremely rare for
2 us to have dealt with money laundering files.

3 Q Sure. So why don't I ask the other panel
4 members. I guess the question is how often do
5 you deal with money laundering and, I guess, how
6 do you deal with it when you do engage on that
7 type of case?

8 A (CM) Maybe I'll go first. Yeah, as I said,
9 alluded to before, we take our financial crimes
10 investigations, our drug trafficking
11 investigations as far as we can to a point where
12 it's clear to us there's evidence of money
13 laundering, but due to capacity issues we can't
14 further those investigations. We hold the view
15 here at New West, being a smaller municipal
16 department within the LMD, that, you know,
17 regional issues such as organized crime and
18 money laundering are important, hence our
19 resource allocations to our seconded units being
20 FSOC, CFSEU or INSET. And that is sort of the
21 best that we can do as far as our contributions
22 into money laundering investigations.

23 Q Thank you. Inspector Heard or Deputy Chief
24 Rankin?

25 A (MH) I think the VPD is very similar. We come

1 across money laundering where we are
2 investigating our predicate offences. We will
3 come across money laundering in terms of other
4 investigations. I think what's important to
5 kind of consider for us at this point, too, is
6 if we're doing a murder or organized crime
7 investigation we are always balancing public
8 safety, and with that and with the disclosure
9 laws that we have right now, especially with
10 *Regina v. Jordan*, a lot of times -- or all the
11 times Crown requires full disclosure from us
12 before laying as a sign of offence and charge,
13 so we do balance the public safety side. We
14 will investigate the assets that are basically
15 fruits of the investigation. With that we'll
16 usually consult with Crown in the first instance
17 to determine if they're going to be forfeited as
18 part of the prosecution or go towards the civil
19 forfeiture orders. There are times in the past
20 when as an agency we have investigated money
21 laundering investigations when it comes to mass
22 marketing mailers and direct marketing mailers,
23 the kind of effect around the world.

24 Q And, Inspector Heard, when you speak about
25 Jordan and the timelines and disclosure and then

1 the public safety obligations, that suggests to
2 me there might be circumstances where if money
3 laundering arises in conjunction with let's say
4 a homicide or kidnapping, the public safety
5 imperatives and other considerations would push
6 you forward with the substantive offence but
7 leaving the money laundering aside. Is that the
8 sort of dynamic you're describing?

9 A (MH) Yes, that's correct. I think that for
10 public safety and in order to ensure that we --
11 to manage public safety to ensure that we meet
12 our disclosure obligations to obtain a criminal
13 charge or have judicial conditions on the person
14 upon release. We will go forward with the
15 charges for the substantive offence and then
16 with the other offences unfortunately based on
17 timelines and seeking multiple production orders
18 and obtaining all the orders required to follow
19 the money and follow where it's going, we just
20 don't have the time or the resources,
21 unfortunately, if we have a substantive offence
22 that requires us to, you know, put someone in
23 custody right away for public safety.

24 Q I know that in terms of the process of obtaining
25 those production orders which sometimes build

1 one on the next with information from one
2 authorization giving grounds to pursue other
3 leads and so forth, could you just explain
4 perhaps for the benefit of everyone what exactly
5 why that -- why you see that as being a
6 necessary part or more likely to be part of a
7 money laundering investigation and then what
8 sort of delay does that entail? Why is that an
9 impediment to moving quickly if, for example, in
10 a money laundering case?

11 A (MH) I think it's following the money and
12 following the bank records, so I think for
13 during a course of an investigation to follow
14 the money we may come into unexplained wealth
15 like cars, houses, et cetera, that based on the
16 person's lifestyle the crimes they're committing
17 aren't consistent with the lifestyle that
18 they're leading. And during the course of our
19 investigation we may uncover banking information
20 from a myriad of different banks, obviously on
21 behalf of -- depending on the level of
22 sophistication to disguise their level of -- or
23 disguise their money to multitude of financial
24 institutions, but each of those require
25 production orders for us to get the information

1 back from the bank. Production orders we are
2 supposed to have a 30-day turnaround, but
3 unfortunately like everybody else everybody has
4 capacity issues, even the financial sector. So
5 production orders that were supposed to get back
6 within 30 days now are leading up to towards
7 60 days of being returned, and unfortunately
8 with some of these things when you get them
9 back, you know, I always say one production
10 order turns into about three or four more once
11 you start gleaning information. And then you
12 start thinking about, you know, between 30 and
13 60 days upon return of each order and you keep
14 kind of adding and compounding those on top of
15 each other, you could be -- and then by the time
16 you analyze the information and have someone
17 that either we can bring in people with
18 financial backgrounds, we have people in our
19 financial crime units that are accountants, but
20 to go over the information to make assessments
21 on the money it just isn't feasible.

22 Q So some of those factors that may push you
23 towards weighing it in favour of the substantive
24 offence or index offence as opposed to the
25 adjunctive of a money laundering pursuing a

1 money laundering case, really just the
2 practical, the delay, the amount of resources
3 that it involves, the fact that you may have the
4 sort of one production order feeding into the
5 next and so forth?

6 A (MH) That's correct. I think Deputy Rankin
7 wants to add something to that point as well.

8 (LR) And we're talking about if they're
9 regional investigations, but once you extend
10 outside the province or, you know, go into the
11 United States we have to enter into an MLAT with
12 authorities down there and seek assistance from,
13 and we've done so, with the US Secret Service or
14 Homeland Security, and again the added dimension
15 now of cryptocurrency and bitcoin exchanges and
16 being able to track that is just -- it's
17 significant.

18 Q Thank you. I'd like to ask you, if I might, how
19 is it that the department see money laundering
20 cases arise. So we've had a description in one
21 of the answers just now about the example where
22 there's a drug or a murder or some criminal
23 investigation in which a money laundering
24 component becomes apparent. Are there other
25 ways in which these cases tend to come into the

1 view of the three of your departments? And for
2 variety why don't I turn to Inspector Mullin to
3 start, and then I'll go to Deputy Chief
4 Crosby-Jones and then VPD?

5 A (CM) It's essentially through our drug
6 investigations that lead us to -- and in
7 collaboration with FINTRAC. That's essentially
8 how we identify evidence of money laundering,
9 Research CIC International, wire transfers and
10 investments into property in speaking with the
11 banks, the suspicious transactions that come
12 along with that. As Inspector Heard said, it
13 turns into a web that essentially requires you
14 to follow to make any sort of sense of it or
15 gather evidence. So it's through those
16 investigations here in New West only I would say
17 that we encounter evidence of money laundering.

18 Q And when you -- just to pick up on the FINTRAC
19 point when you say that it can involve FINTRAC,
20 does that describe FINTRAC notifying and
21 alerting the department to something or the
22 other way around with the department seeking
23 information or both?

24 A (CM) Those are requests made by us to FINTRAC
25 with respect to the targets that are under

1 investigation.

2 Q Deputy Chief Crosby-Jones?

3 A (BCJ) Yeah, Abbotsford is very similar. It
4 would be based on drug-based investigations,
5 proactive work and our own queries to FINTRAC.
6 So same as New West.

7 Q And either Deputy Chief Rankin or Inspector
8 Heard?

9 A (LR) If I can start. So we're looking for
10 during the course of a predicate offence whether
11 that's homicide, forcible confinement or drug
12 investigation or indices of proceeds of crime
13 and offence-related property, and so what we
14 will often find as we are conducting our
15 investigation we'll discover evidence of
16 purchase prices for vehicles that aren't
17 recorded on ICBC transfer tax forms, which would
18 indicate that they're being paid for with cash
19 when there's no known source of income. We've
20 seen high-end vehicles with significant payments
21 with no known income. Vehicles that are
22 registered in the names of family members living
23 in subsidized housing with no known means to pay
24 exorbitant lease payments. Unemployed suspects
25 securing financing through their parents to

1 purchase real estate. And then suspects
2 laundering drug profits through their relatives'
3 real estate holdings and then getting paid as
4 quote/unquote employees of their parents. And
5 then multiple mortgages we're finding on
6 commercial properties that aren't showing a
7 profit, yet they're paying exorbitant mortgage
8 rates all in an effort to launder illicit funds.

9 Q And in terms of how those kinds of activities
10 come into the view of police could you describe
11 how it is that that occurs. Are these things
12 where the particular officers are out looking to
13 follow those kinds of leads, or is there another
14 way that the, I suppose, tip for the file comes
15 in?

16 A (LR) Oftentimes they will be executing a search
17 warrant and then they'll come across this
18 information and then just through their tenacity
19 will be able to work with FINTRAC to determine
20 okay, these proceeds are -- can't be
21 legitimately obtained, and then of course
22 working with our asset forfeiture unit who would
23 flag the report once it's sent to them with the
24 concerns from the investigator. But as a rule
25 you're coming across as your investigation

1 progresses.

2 Q I'll return with some questions about FINTRAC a
3 little later. I'd like to turn to the -- we've
4 had some evidence with respect to departments
5 looking to the RCMP, in particular FSOC, the
6 Federal Serious and Organized Crime group to
7 deal with or be involved in money laundering
8 matters. If you could please describe from your
9 department's point of view how that happens and
10 also why that happens. I know we've had some
11 answer to that second question, but why don't I
12 start, please, with VPD Inspector Heard or
13 Deputy Chief Rankin?

14 A (MH) We started sending members to the FSOC
15 units back in 2014, and then in 2019 or 2020
16 when the financial integrity unit started up
17 again is when the VPD started seconding members
18 to the financial integrity units at FSOC. So
19 we've got four members seconded there. I think
20 with the secondments to FSOC it's to bolster our
21 investigative support experience. I think a lot
22 of these investigations when it turns into high
23 level money laundering organized crime files, it
24 does help to have the expertise and a body of
25 knowledge within one unit for us to be able to

1 turn into send some files to them if they come
2 across our investigative teams. I think these
3 investigations are completely complex. Before
4 these units existed we've had files that -- we
5 have probably even in the mid 2015, 2016 we had
6 a bunch of mass marketing operations set up in
7 Vancouver and the Lower Mainland. These
8 investigations are still ongoing and with it
9 we've had members and investigators working with
10 the US Postal Service on cooperative groups out
11 of Amsterdam and, for example, these groups
12 will -- you know, we've done search warrants on
13 them and then within a matter of weeks they've
14 re-established themselves and set up over in
15 Amsterdam. So when you're starting to look at
16 transnational organizations and, like, Deputy
17 Rankin referred to the production orders, MLATs,
18 the level of sophistication, we do need some
19 kind of experience where we can go to and have
20 that experience and turn to for some of these
21 investigations.

22 Q Is it fair to describe FSOC as being really a
23 go-to kind of body from the point of view for
24 money laundering cases in particular?

25 A (MH) I believe so, yes. And I think that it's

1 like anything. Unfortunately, when I think over
2 a number of years, the proceeds team and
3 financial teams were dissolved and I think that
4 we started seeing -- we sent four members there
5 starting in 2019, 2020, and it's like every new
6 unit that begins, unfortunately again, you're
7 trying to gain and garner that experience from
8 scratch and trying to get those units off the
9 ground when you've kind of probably lost a lot
10 of corporate history and knowledge over the last
11 15 years.

12 Q Just to pick up on that point, Inspector Heard,
13 you talk about the sort of lost corporate
14 knowledge or the, I suppose, uptime to get up to
15 speed for new units. Is it your view that the
16 proceeds units that had been in place had the
17 advantage of some stability over time and that
18 that's preferable to having every five years or
19 ten years changes in organization, new units,
20 et cetera?

21 A (MH) Yes. I think with these investigations are
22 extremely complex. I think that they're very
23 nuanced, and quite frankly from a municipal
24 perspective we get people that -- you know, our
25 predicate offences are the ones that identify

1 the money laundering like Deputy Rankin
2 explained, in a lot of money, vehicles, car
3 leases, et cetera. But I think that when you
4 start getting into more sophisticated
5 investigations where you're doing trade-based
6 money laundering, you start involving shell
7 companies, you have some more level of
8 sophistication, we just don't have the subject
9 matter experts that have the ability to
10 investigate these on a continual basis.

11 Q I'll turn to Deputy Chief Crosby-Jones, please
12 with the same question with respect to FSOC
13 within the RCMP and the extent to which your
14 department looks to and engages with FSOC to
15 deal with money laundering.

16 A (BCJ) Yes, thank you. To follow up with what
17 the other panel members said we also do
18 contribute extensively to integrated sections
19 within various RCMP sections. This year we
20 actually joined into FSOC. We sent our first
21 member to FSOC recognizing that we do have a gap
22 in our own internal experience dealing with
23 money laundering files. So recognize that we
24 need some experience back. We need to have a
25 foothold in that team, but we have limited

1 knowledge and I don't believe we've had to
2 engage FSOC to date for any money laundering
3 files.

4 Q Thank you. Inspector Mullin?

5 A (CM) Yeah, I can say with confidence that we
6 have not engaged with FSOC on any money
7 laundering investigations. We do engage more
8 with CFSEU and in fact through our seconded
9 opportunities we've had New West members
10 attached to investigations being carried out by
11 the Joint Illegal Gaming Team there, and I know
12 there's communication between JIGIT and FSOC,
13 but we at a local level have not had a need to
14 reach out FSOC directly with respect to any of
15 our investigations.

16 Q Thank you. I'd like to ask a series of
17 questions that use a document as a useful way
18 for me to sort of orient questions and
19 discussion. Appreciating it may be a document
20 that the four of you may have seen but weren't
21 involved in the preparation of.

22 Madam Registrar, there's a document which is
23 identified as PSSG0028. If that could please be
24 displayed on the livestream.

25 You'll see this being identified as the FPT,

1 the "Federal/Provincial/Territorial Meeting
2 Ministers Responsible for Justice and Public
3 Safety," and relating to meetings that took
4 place in 2018 dealing with commercial crime and
5 money laundering. Why don't I quite arbitrarily
6 pick on Deputy Chief Rankin to just ask is this
7 a document that you've reviewed and now maybe
8 only recently but now have some familiarity with
9 in relation to today's evidence?

10 A (LR) I have had a chance to review it, yes.

11 MR. MARTLAND: All right. Mr. Commissioner, I'm
12 going to ask that this be marked as an exhibit.

13 THE COMMISSIONER: Very well, that will be the next
14 exhibit, which I've lost the number.

15 THE REGISTRAR: 773, Mr. Commissioner.

16 **EXHIBIT 773: Federal/Provincial/Territorial**
17 **Meeting, Ministers Responsible for**
18 **Justice and Public Safety - November 14-16, 2018**

19 THE COMMISSIONER: Thank you, 773.

20 MR. MARTLAND:

21 Q And Madam Registrar has the first page on
22 display and I'm going read from some parts of
23 that. So this is, as it says, a federal,
24 provincial territorial meeting, so between
25 different layers or levels of government. The

1 language in the first bullet says:

2 "BC acknowledges the challenges involved
3 in balancing complimentary and competing
4 priorities for enforcement, as money
5 laundering (Proceeds of Crime) itself is
6 linked to serious criminal offences such
7 as drug trafficking, corruption, fraud and
8 smuggling. However, due to its pervasive
9 impact in BC and across Canada, BC has
10 continued to request federal assistance to
11 identify and address money laundering as a
12 priority issue in BC."

13 We then see a second sentence of the second
14 bullet point:

15 "BC supports the federal priority and
16 would further support legislative and
17 regulatory changes that provide police
18 with additional powers to assist in
19 proceeds of crime investigations. Money
20 laundering is a chokepoint for organized
21 crime; strong legislative and regulatory
22 authorities will provide an enforcement
23 opportunity where current gaps exist."

24 So maybe having read that out, and I don't ask
25 you to go into the minds of whoever wrote this

1 document, but picking up on that comment or
2 suggestion about additional power to deal with
3 proceeds of crime investigations. Do any of you
4 have a perspective on what kinds of additional
5 powers or authorities might be useful or sought
6 by your departments to come to grip with
7 proceeds cases?

8 A (MH) I guess I'll be the first to jump in here,
9 Mr. Martland.

10 Q That's fine. And I think I said to you in
11 preparing for today, to all of the witnesses,
12 you can also let me know if a question is off
13 base or if it's an area that you're not in a
14 position to comment on.

15 A (MH) I think I'll start commenting just by
16 saying that I think that, you know, I know a
17 number of countries have unexplained wealth
18 orders, and coming into investigations even to
19 start our investigations we need a substantive
20 offence. Even if we stop someone and deal with
21 them in the course of our duties and they appear
22 to have unexplained wealth, that doesn't really
23 give us the provisions to start launching into a
24 proceeds or money laundering investigation. And
25 then with it it's trying to figure out where

1 people are banking at, their banking orders,
2 Like, for us it becomes -- it's an extreme
3 challenge when it comes down to trying to track
4 money and trying to determine the legitimacy of
5 the finances and the money from the individuals
6 we come into contact with.

7 Q Let me read the next bullet and ask a further
8 question. It says:

9 "While all levels of policing in Canada
10 have concurrent jurisdiction to address
11 money laundering under the *Criminal Code*,
12 due to the transitory nature of both the
13 offenders and the offence, only the
14 federal RCMP currently have the resources
15 and expertise to address this matter.
16 BC would welcome new federal policing
17 investments to resource RCMP's federal
18 capacity to investigate money laundering."

19 And so I wonder if you could comment on that
20 point that's made about only the federal RCMP
21 have the resources and expertise to address
22 money laundering in particular.

23 A (LR) Hello. I can speak to that. I mean, as
24 Inspector Heard mentioned earlier, we have a
25 financial crime unit that's comprised of ten

1 investigators and one supervisor and then three
2 other investigators that are accommodated on
3 light duties. Despite our best efforts we're
4 looking at investment scams, internal thefts,
5 romance scams that often tally up into the
6 hundreds of thousands if not millions of
7 dollars. To look at anything on a transnational
8 basis presents huge obstacles and burdens that
9 we just can't overcome because of the resources
10 that we have. The dilemma, too, I think is
11 that -- and it's mentioned a little later in
12 this document. I don't want to get ahead of
13 myself. But if you're looking at what FSOC and
14 financial integrity unit looks at, their
15 threshold is quite high. I mean, they're
16 looking at files that could have an impact upon
17 the economy of Canada. So, you know, if we
18 had -- you know, I guess this could entail
19 national security and terrorism, so we're in a
20 position to look at the -- if you will, the
21 lower level, which are still challenging to
22 investigate and people are still getting
23 victimized, particularly the elderly or the
24 vulnerable. But to go beyond that scope as a
25 municipal department would just be too much of a

1 challenge.

2 Q Inspector Mullin or Deputy Chief Crosby-Jones,
3 any response on that topic or further comment?

4 A (BCJ) No, just from our size level municipality,
5 we don't have the expertise, period. We would
6 have to rely on the RCMP. We can contribute
7 resources through secondments to FSOC, but we
8 just don't have the skills ability and
9 investigative expertise to contribute to
10 investigations of that nature.

11 Q Thank you. Madam Registrar, I don't need that
12 document displayed further.

13 Why don't I broaden it out a little from
14 FSOC who I've been asking a few questions about
15 and just ask are there other agencies,
16 multiagency bodies or organizations that your
17 departments see as being relevant to money
18 laundering, and I would guess I would single out
19 the civil forfeiture office, the question being
20 first I'll ask what are the other agencies and
21 then I'll turn to asking a little bit more about
22 how you engage with any other agencies or
23 bodies, whether civil forfeiture, CFSEU, other
24 agencies or bodies. I'll do this arbitrarily.
25 Inspector Mullin, why don't I start with you.

1 Thanks.

2 A (CM) Sure. I certainly just from my tenure at
3 CFSEU see them as a capable organization of
4 embarking on significant money laundering files
5 and perhaps in collaboration with one of the
6 larger municipal departments or FSOC. And we
7 certainly at the local level engage with the
8 civil forfeiture office on a regular basis.

9 Q Deputy Chief Crosby-Jones, is that true for your
10 department as well?

11 A (BCJ) Yes, similar to New West we would
12 definitely engage CFSEU large municipal partners
13 and we are very active with civil forfeiture
14 files.

15 Q And just to pick up on that when you say active
16 with the civil forfeiture, in practical terms,
17 what sorts of engagements are officers having
18 with the civil forfeiture office? We could take
19 an example of a case whether or not it's moving
20 to a likely criminal charge on some other
21 offence but one identified as being appropriate
22 for civil forfeiture for the civil forfeiture
23 office to become involved and pursue it. From
24 the department's point of view what does that
25 mean for its members who are investigating or

1 dealing with that investigation or incident?

2 A (BCJ) All levels of our agency, whether it be
3 patrol or the investigative teams, drugs units
4 engage civil forfeiture. It can be for any type
5 of offence. Doesn't need to go to court.
6 Doesn't need to have a report to Crown counsel
7 written on it. So even at our patrol level
8 members are dealing with civil forfeiture on a
9 daily basis, and larger drug investigations
10 where we are able to seize vehicles and/or
11 criminal investigation where a vehicle is used
12 to perpetrate an offence, all our units are
13 heavily engaged. It's nice because all
14 different levels of our agency are able to
15 easily engage with civil forfeiture.

16 Q Inspector Mullin and Inspector Heard, is that
17 true for your departments as well, first on the
18 narrow question of the engagement with civil
19 forfeiture office?

20 A Yes, it's quite convenient. We'll have the
21 initial discussion with PPSC with respect to
22 proceeds of crime charges and whether or not
23 there's viability to proceed as it relates to
24 charge approval or dealing with the exhibits,
25 but quite regularly given the fact that civil

1 forfeiture has their own sort of independent
2 authority and way of coming in and dealing with
3 the assets it's quite convenient for us to reach
4 out to them and engage them.

5 Q Inspector Heard, is that true for VPD as well?

6 A (MH) It is true. We have consultation with
7 Crown to see if we can forward or advance an
8 investigation when it comes to the proceeds. If
9 it it's determined that it's not going to be
10 dealt with in the court process, we have an
11 internal process where we have -- I mentioned it
12 earlier we have a number of members in our own
13 civil forfeiture office in Vancouver. We have
14 members that are assigned to that unit
15 full-time. They are the gatekeepers, for lack
16 of a better term, that review the files to
17 ensure that they meet the standards and the
18 thresholds for civil forfeiture. They make an
19 assessment and if the asset forfeiture is going
20 to be sought needs investigations, they will
21 make notes on the file so it is flagged for
22 civil forfeiture and put on electronic queue for
23 them to prioritize. I think the value for us in
24 the civil forfeiture is we can go back ten years
25 on some investigations and seize the assets

1 related to the investigations.

2 Q And to round out the question with respect to
3 agencies other than FSOC that your departments
4 engage with, I don't think I asked that of VPD
5 in particular so maybe I can do that now.

6 A (LR) Thank you. I can speak to that. We work
7 with when there's a clear investment scheme
8 involved, we have a process in place with the BC
9 Securities Commission to take conduct of the
10 investigation. We'll work with other provincial
11 regulatory bodies, so if there's a fraud
12 investigation or an investigation involving
13 potential fraud involving a regulatory body,
14 whether it's BC Financial Services Authority,
15 the Law Society, College of Physicians, we'll
16 engage those regulatory bodies and conduct those
17 investigations in parallel. Again we've spoken
18 about our secondments to FSOC, in particular the
19 financial integrity unit. We have engaged in a
20 number of joint force operations with CFSEU.
21 Most recently the largest joint force operation
22 was Task Force Tourniquet. As a result of that
23 a number of assets were seized from various
24 targets and so we engaged civil forfeiture as
25 well. We have had members seconded to joint

1 illegal gaming investigates teams, or JIGIT. We
2 don't have anyone presently, but we continue to
3 cork with JIGIT when they're conducting
4 investigations into illegal casinos in Vancouver
5 and then we'll assist them and as recently as a
6 few months ago providing members from patrol or
7 operations to assist the investigators in JIGIT
8 for disclosure and processing exhibits.

9 Of course FINTRAC, we've talked about it
10 with our financial crime unit where the suspects
11 believed to have moved large sums of money
12 through financial institutions as well as
13 through our asset forfeiture office. Inspector
14 Heard and the other gentlemen have spoken to
15 that as well. We have worked extensively with
16 the US Department of Justice and the United
17 States Postal Inspection Service on mass mail
18 marketing frauds and continue to do so. And
19 then more locally we've worked with the City of
20 Vancouver risk management to create potential
21 bylaws to register cryptocurrency, ATMs, as well
22 as white label ATM machines in an attempt to
23 have them align with federal legislation and
24 more transparency to ensure compliance and
25 identify who actually owns those devices. And

1 those are the -- and of course as we've spoken,
2 the civil forfeiture office, extensive. We've
3 got a robust system in place.

4 Q I'd like to ask if you have an ability to
5 answer this question: from the point of view of
6 your police departments do you view there as
7 being something that I think has been written
8 about or described as being an enforcement gap,
9 and as I understand the idea or premise is that
10 between federally mandated cases, in other
11 words, the kinds of cases that FSOC is dealing
12 with and on the other hand the mandates and
13 capacity of the municipal departments, is there
14 between those two things the prospect or reality
15 that certain kinds of cases get overlooked or
16 missed? If something is not at the level or
17 threshold of giving rise to a risk to the
18 national economy or financial integrity at a
19 broader level or not tied to terrorist and other
20 national security risks, and on the other hand
21 beyond the capacity and expertise of a municipal
22 department, I don't know as I ask that question
23 it occurs to me that from the point of view of
24 municipal departments you may not be able to
25 answer that question. You may not know. You

1 may be expecting someone else is handling things
2 and not have a way to know if that's the case or
3 not. But do you have a comment or answer to
4 that very general question?

5 A (MH) I'll answer really quickly. I think Deputy
6 Rankin talked about it earlier. When you look
7 at the mandate of the financial crime units at
8 FSOC and some of the when it goes mass marketing
9 schemes, romance schemes, et cetera, there is a
10 gap there when it comes down to our
11 investigations, I believe, on what we can deal
12 with as a municipal agency. And then
13 unfortunately with the threshold when it comes
14 down to affecting national economy, et cetera,
15 when it comes down to FSOC mandate I think
16 unfortunately everybody comes down to resources
17 and they are just like everyone else when it
18 comes down to -- we're struggling with resources
19 and personnel and I know that they're doing the
20 same. And so when it comes down to one unit
21 within FSOC dealing with the financial
22 integrity, and these investigations are --
23 they're cumbersome and even though from our
24 financial crimes units some of our
25 investigations take three to five years when

1 we're talking about production orders, following
2 the money, getting accountants involved to
3 basically provide opinions to ensure that we
4 meet our threshold for charge approval. And at
5 the end of the day when you've got one unit
6 dealing with all these files and at FSOC they're
7 coming in at the top tier files, there is a gap
8 there when it comes down to what we're
9 investigating and what hits their mandate. And
10 it all comes down to resources and people
11 available to actually investigate these
12 allegations.

13 Q Inspector Mullin or Deputy Chief Crosby-Jones,
14 do you have a view on that question of whether
15 you can even identify if there's the risk of a
16 gap between where cases may fall between
17 federally mandated policing and the municipal
18 departments?

19 A (CM) Just on behalf of New West, we're unable to
20 comment on what that gap may look like or any
21 context around it just in that we do not have
22 any visibility on what investigations are taking
23 place at the federal level, and again our focus
24 primarily is on local level enforcement, be it
25 financial crime through our major crime unit or

1 drug trafficking through our street crime unit.

2 (BCJ) I echo what New West says.

3 Q And Inspector Heard, just to return to a comment
4 that you were giving about just the complexity,
5 the delay, the getting these different
6 production orders, the nature of the cases, to
7 try and draw a contrast I'll put the question
8 this way: is it fair to say to the extent that
9 money laundering might be an adjunct to an index
10 offence or investigation, it's a really
11 oversized kind of adjunct, and I guess by
12 contrast it's -- to think of a few examples, if
13 the police, if a patrol unit arrests someone for
14 breach of a court order and searches them and
15 finds drugs, that might lead to a drug
16 possession charge or they find a gun and that
17 leads to a gun restricted firearm charge, and so
18 on. Those are adjunct cases that seem to me to
19 involve certainly some work but not inordinately
20 complex. Is it fair to draw that kind of
21 distinction and say that money laundering are
22 cases that are really oversized?

23 A (MH) Yeah, I'll give you an example,
24 Mr. Martland. I think in one of our mass
25 marketing direct marketing schemes that we are

1 investigating we executed a search warrant on
2 behalf of the United States Postal Service
3 through a mutual legal assistance treaty and
4 that was in 2016. Fast forward to 2021 and it's
5 still before the courts on what can be disclosed
6 to our United States partners. So you think
7 about how nimble these organizations are in
8 transnational organized crime. I gave the
9 example where they set up weeks later in
10 Amsterdam doing business and five years later
11 we're still trying to put a case together by
12 going back and forth what materials can be
13 disclosed to foreign partners and reversely if
14 we're doing these investigations with the United
15 States we still are under the same hurdles
16 where years later we're still fighting, trying
17 to get disclosure material to substantiate our
18 investigation in Canada. So your example
19 where -- you know, of a drug investigation, the
20 members may arrest somebody, you weigh some
21 drugs, you put your evidence together and you
22 put it through to court. They're quite fast and
23 succinct investigations. When you're following
24 money in the orders and you start going into
25 other jurisdictions and countries, the level of

1 sophistication and time involved, it's
2 completely onerous to try to put a file
3 together.

4 Q I take it as, I guess, the inverse of that is
5 that from the point of view of a sophisticated
6 criminal who is engaging in a money laundering
7 technique they would take advantage of moving
8 across more transactions, more structuring,
9 moving across borders, et cetera, to
10 deliberately make it hard to quickly connect the
11 dots?

12 A (MH) Completely. And you start throwing in
13 shell companies and commingling of money with
14 legitimate businesses, it becomes a definite
15 challenge for investigators to try to put the
16 files together to bring forward to Crown for
17 prosecution.

18 Q I'd like to ask a question that has been touched
19 on already through some of the answers, but the
20 general question would be how it is that the
21 municipal police departments take their
22 direction. We had some answers that dealt with
23 the police board question. I'm interested in
24 hearing if there's also other ways that the
25 police departments take their direction and

1 maybe to some extent the difference between the
2 operational side the department management is
3 making decisions about as opposed to the broader
4 kind of priorities that the board and perhaps
5 the provincial government's policing and
6 security branch or others may be involved in.

7 So why don't I ask Deputy Chief Rankin if you're
8 willing to do so, sir, to take a crack at that?

9 A (LR) Thank you. If I understand correctly what
10 we're looking at in terms of other priorities
11 that are that we have to respond to, I can just
12 look again at the strategic plan of the VPD and
13 in addition to fighting crime we are looking at
14 strategic goals that involve engaging in
15 community, fostering relationships with our
16 diverse community, strengthening mental health
17 programs, which happens to fall under my
18 purview, enhancing public safe is another
19 strategic priority, and looking at those
20 strategic goals there. Addressing community
21 concerns that affect public safety, road safety
22 for everyone. So this would be more of an
23 operations-based strategic priority, and then
24 supporting our people, mental health wellness
25 for our own members, fostering a culture of

1 employment engagement and effective
2 communication and promoting that healthy work
3 environment. These are all competing priorities
4 in addition to what I'm addressing within my
5 division. I have the good fortune of having
6 with respect to the budget a fund, a criminal
7 investigation fund that allows me to subsidize
8 or pay for extraordinary investigative costs
9 that are incurred in an investigation such as,
10 you know, organized crime investigations or
11 protracted homicide investigations. The costs
12 that are incurred can run into the millions. So
13 those are my challenges, but at the same time I
14 have to be alive to the whole department of what
15 the concerns are and the priorities are. Does
16 that answer your question?

17 Q I think it does in part, and I wonder -- you've
18 answered already or at least there's been some
19 discussion of the police board providing
20 direction on priorities to some extent. Is
21 there also -- what's the nature of your
22 involvement and to the extent there may be
23 guidance or direction that comes from the
24 provincial -- I think it's within the Ministry
25 of Public Safety and Solicitor General, the

1 policing and security branch or PSB. I can now
2 say with certainty you must both be in the same
3 room?

4 A (LR) We are.

5 Q Okay. Only took me an hour and a half.

6 Inspector Heard, are you being delegated?

7 A (LR) No, I'll take a crack at that. With
8 respect to police services, which I liaise with
9 on a regular basis, we're looking at, you know,
10 working with police service to establish
11 provincial standards for major case
12 investigations and such. But we're also looking
13 at best practices, leading practices. Certainly
14 these types of investigations where there's
15 proceeds of crime involved we would be -- I have
16 been in discussions with police services in the
17 past and recently leading up to this commission
18 about our work that we're doing within casinos,
19 illegal casinos as well as legitimate casinos.
20 So there's constant communication, and I haven't
21 received much response. I've just been asked
22 for information which we provided in terms of
23 our calls for service to these agencies, and
24 what we're doing as a municipal department, that
25 may not be dealing with specifically with money

1 laundrying but individuals that we believe are
2 engaged in it, that are engaged in a criminal
3 lifestyle that are frequenting for example,
4 casinos.

5 Q Inspector Mullin or Deputy Chief Crosby-Jones,
6 from the point of view of your departments is
7 there anything to add on that fairly poorly
8 formed question around direction from police
9 board and/or the provincial PSB?

10 A (BCJ) As Deputy Rankin said and Inspector
11 Mullin, we have to work for a police board.
12 Police board sets our strategic priorities with
13 us. They're a microlevel to deal with our
14 community versus on a larger scale. I can say
15 that when we present to our police board we talk
16 about our strategic goals for the year and what
17 their needs are and what our communities needs
18 are, money laundrying is not at the forefront.
19 It's public safety, community engagement. All
20 the things that Deputy Chief Rankin said are how
21 we deal with mental health, road safety. So it
22 really expands a lot of our priorities and from
23 those priorities the resourcing that goes into
24 those priorities to meet all the communities
25 needs, money laundrying, financial crime is one

1 of our pieces, but public safety trumps
2 everything, so public safety type of events and
3 how we care for our community and deal with some
4 of the current issues, homelessness, mental
5 health, how police deal with that are at the
6 forefront for our agency.

7 Q Inspector Mullin, anything to add?

8 A (CM) No, I concur with what my colleagues on the
9 panel stated. In addition to the police board
10 and police services and to some extent in how we
11 operate it is guided by our criminal justice
12 system itself, and Inspector Heard mentioned
13 *R. v. Jordan* that ultimately had an impact on
14 the timeliness of disclosure which ultimately
15 has an impact on how we operate here in terms of
16 resource allocation and the targets that we
17 select. But operationally speaking the senior
18 leadership team here at New West chooses the
19 targets that are investigated here within the
20 city based on the needs and priorities
21 identified within the city.

22 MR. MARTLAND: Mr. Commissioner, I'm going to suggest
23 this might be a useful juncture for the break.

24 THE COMMISSIONER: Thank you, Mr. Martland. We'll
25 take 15 minute then.

1 THE REGISTRAR: The hearing is adjourned for a
2 15-minute recess until 11:05 a.m. Please mute
3 your mic and turn off your video.

4 **(WITNESSES STOOD DOWN)**

5 **(PROCEEDINGS ADJOURNED AT 10:49 A.M.)**

6 **(PROCEEDINGS RECONVENED AT 11:04 A.M.)**

7 **BRETT CROSBY-JONES, for**
8 **the commission,**
9 **recalled.**

10 **CHRISTOPHER MULLIN, for**
11 **the commission,**
12 **recalled.**

13 **LAURENCE RANKIN, for the**
14 **commission, recalled.**

15 **MICHAEL HEARD, for the**
16 **commission, recalled.**

17 THE REGISTRAR: Thank you for waiting. The hearing
18 is now resumed. Mr. Commissioner.

19 THE COMMISSIONER: Thank you, Madam Registrar. Yes,
20 Mr. Martland.

21 MR. MARTLAND: Thank you, Mr. Commissioner.

22 **EXAMINATION BY MR. MARTLAND (continuing):**

23 Q I'm going to try to make use of the last
24 document displayed, exhibit 773. Madam
25 Registrar, if you might help me please by

1 displaying that at the bottom of page 1. And
2 I'm going to read from some of the background
3 description that's given in this document and
4 then ask a question or two, in particular seeing
5 if you're in a position to offer your views
6 about the loss of the RCMP commercial crime
7 section. So I'll start by reading what we see
8 at the second-last bullet on page 1.

9 "In January 2013, all federal RCMP
10 resources in BC, including all members of
11 "E" Division Commercial Crime Section,
12 were amalgamated into "E" Division Federal
13 Serious and Organized Crime. Following
14 that the federal mandate was restricted to
15 a federal purpose of investigating serious
16 and organized crime, including complex
17 matters such as international money
18 laundering, and crimes which affected
19 Canada's economic integrity. At the
20 time --

21 And I'll just -- Madam Registrar is doing this
22 without being asked, which is helpful. That's a
23 good display there.

24 "At the time of its dissolution "E"
25 Division Commercial Crime had nearly

1 100 members and support staff in BC who
2 were investigating fraud and money
3 laundering at the time of the
4 amalgamation. Following the amalgamation,
5 all federally funded positions were
6 directed towards federally mandated cases.
7 In some instances this shift did not align
8 with provincial priority issues, including
9 money laundering. This resulted in a
10 significant gap, whereby no provincial
11 police resources were tasked with the
12 investigation of large frauds and money
13 laundering that fell outside of identified
14 federal priorities, such as national
15 security and terrorism. Currently,
16 municipal and provincial detachments do
17 not have the capacity to investigate
18 inter-detachment, interprovincial, or
19 international fraud, despite the fact that
20 municipal and provincial police forces
21 have concurrent jurisdiction ..."

22 So I'll stop off there and having used that as
23 the predicate for the question, do you have a
24 comment on your department's perspective on the
25 loss or closure of the commercial crime section

1 as it had been organized with the RCMP? Did
2 that have an impact on your department?

3 A (LR) If I could speak to that. I've only been
4 in my position for the last five years and had
5 an opportunity to work closely with our
6 financial crime unit and I would agree that the
7 current situation is such that there is a gap
8 because when we have these frauds, even though
9 if they're transnational in nature, for example,
10 we are having a very difficult time unless we
11 engage resources as I said earlier with the
12 United States Secret Service or Homeland
13 Security to assist us, we have no other resource
14 provincially that can assist us. We are still
15 conducting inter-detachment, interprovincial and
16 international fraud investigations. As
17 Inspector Heard referenced, the mass marketing
18 scams involving PacNet and other agencies.
19 We're still doing that. But we are requiring
20 resources from other agencies, including the
21 Department of Justice and the postal service to
22 assist us in furthering those investigations.
23 And the only reason they're -- not the only
24 reason, but the reason they're assisting us is
25 because the solicitors in those mail fraud

1 investigations are based in the States. So it's
2 a huge challenge and we are on our own doing
3 this and these investigations, as Inspector
4 Heard has said as well, take years to complete,
5 and with no guarantee that we're going to have
6 charges laid, but we are fortunately able to
7 draw upon our asset forfeiture unit and the
8 civil forfeiture legislation. With respect to
9 PacNet, if I may take a moment, in 2017 there
10 was referrals based on PacNet assets that were
11 seized by our agency, upwards of in excess of
12 \$21 million. So in that sense we're finding
13 other ways to address the money laundering
14 issues, but it's a huge challenge. It would be
15 very beneficial to have a provincial agency that
16 would be able to address the gap that currently
17 exists.

18 Q Deputy Chief Crosby-Jones or Inspector Mullin,
19 any comment on this, what I've been reading and
20 asking about with respect to the RCMP commercial
21 crime unit?

22 A (BCJ) Yeah, we don't have our own financial
23 crime team in Abbotsford, so really I wouldn't
24 be able to give a meaningful comment on it.

25 (CM) Yeah, just in furtherance to that, our

1 focus is such at a local level that the
2 disbandment of commercial crime and the lack
3 of -- it wouldn't have impacted us whatsoever
4 here in New West.

5 Q Thank you. Madam Registrar, we don't need that
6 document displayed further. Thank you.

7 I'd like to ask panel members to comment on
8 the -- and we've had some answers that touch on
9 this, but dealing particularly with the nature
10 of a money laundering investigation, what kinds
11 of skills, background, training, expertise are
12 optimal for those kinds of cases, and part 2 is
13 if that's the gold standard of the kinds of
14 skills that would be available, do those align
15 with the kinds of skills, background, training
16 and expertise that in general terms police
17 recruiting and training leads the departments to
18 have? I'm pausing to see if anyone wishes to
19 unmute and go first. I can direct it to someone
20 or just simply see if anyone has a comment about
21 that. I see a hand up. Deputy Chief Rankin?

22 A (LR) Certainly. We do have members that have a
23 background in finance and accounting within the
24 department. As Inspector Heard said, some are
25 even assigned to our financial crime unit. So

1 certainly our recruiting section actively goes
2 out on career days at post-secondary
3 institutions. But they look for a cross-section
4 of potential applicants. Background in finance
5 and accounting is key. As far as the training
6 that we provide or that is available to our
7 investigators, we have police and law
8 enforcement partners that provide training at
9 the Canadian Police College. I've got a list of
10 potential courses that we're looking at that are
11 offered through the RCMP in various divisions
12 across the country. Online training, so the
13 Canadian Police Knowledge Network, or CPKN,
14 provides training in relation to financial crime
15 investigations. Those can take hours or days in
16 duration. And then private sector training, as
17 well as post-secondary degrees and certificates
18 of programs and financial crime investigations.
19 Those are the overall kind of courses that are
20 made available for our members.

21 Q Is it the case for either of the other
22 departments that you have, for example, within
23 your members and officers involved in these
24 cases some who have an accounting background or
25 do you aim to build up that, or is that simply

1 something that is really outside the mainstay of
2 the work that your departments are dealing with?

3 A (MH) As Deputy Chief Rankin said, we hire for a
4 cross-section of skills in policing. We all
5 shop in the same grocery store to get officers
6 with varying level of skills. Accounting or
7 financial background is one of the benefits, but
8 it's not an essential element for a police
9 officer. Eventually in our agency, just
10 speaking for Abbotsford, as you get into the
11 investigative realm there's a myriad of courses,
12 similar to what VPD has access to through CPC,
13 JIBC and, you know, partnership with other
14 agencies to get that experience for our
15 membership, but we don't hire specifically for a
16 background in forensic accounting or anything
17 like that.

18 (CM) Yeah, not much different comments to
19 say. As a smaller police department when hiring
20 recruits we look for the strengths and
21 characteristics applicable to frontline policing
22 priorities. We generally rely on seconded
23 opportunities for our members to develop the
24 skill sets often that are required for prolonged
25 major case type investigations. Having said

1 that we have had the need where we've had to
2 contract civilian experts to assist us on a
3 couple of financial investigations over the past
4 and that served us well.

5 Q Inspector Mullin, are those examples of
6 contracting people outside the police service,
7 so not either serving members or civilian
8 analysts, for example, or civilian people who
9 work, are employees of the department, but
10 rather outside contracting?

11 A (CM) Yeah, they're outside the scope of the New
12 Westminster Police Department. Once a security
13 clearance has been attained we enter into a
14 private contract for their subject matter
15 expertise.

16 Q Deputy Chief Crosby-Jones, is that sort of
17 outside contracting as opposed to relying on or
18 using members or civilian analysts something
19 that your department has been involved in?

20 A (BCJ) Yes, we have been involved. Similar, we
21 do a background search on them and then
22 obviously we enter into an MOU or LOU with them.

23 Q Does your department have civilian analysts who
24 do work in financial crime?

25 A (BCJ) Not in financial crime. With regards to

1 the commuter forensics and stuff, yes, but not
2 financial crime.

3 Q Inspector Mullin, same question.

4 A (CM) Yeah, no, we do not have analysts focusing
5 on financial crime.

6 Q Deputy Chief Rankin or Inspector Heard, for VPD?

7 A (LR) We do have analysts that are assigned to
8 the financial crime unit as well as our asset
9 forfeiture unit, and then we also utilize the
10 services of forensic accountants for more
11 complex investigations that may have a nexus to
12 money laundering.

13 Q And those forensic accountants, are they part of
14 the VPD's corpus of employees, or would they be
15 contracted on particular matters?

16 A (LR) Contracted on particular matters.

17 Q All right. I'd like to turn to following up.
18 We've had some evidence in relation to FINTRAC,
19 and I suppose as a first question if you could
20 describe from your department's point of view
21 how is it that FINTRAC is -- I don't know if you
22 want to take it so-called typical case or a few
23 different cases where you would have some
24 engagement with FINTRAC, but I'm interested in
25 seeing if you could give the Commissioner a good

1 understanding of how FINTRAC information is
2 being used. Is it at the request and initiative
3 of the department? Is it at the initiative of
4 FINTRAC that notices or information is being
5 given? And then following up on that, when
6 there's information that investigators and those
7 in the department are getting from FINTRAC, how
8 does it come over, how quick is it, how useful
9 is it? Inspector Heard, maybe I can start with
10 you.

11 A (MH) Yes, I'll start on that. I think it's a
12 bit of a two-part process for us. Our FINTRAC
13 disclosures, we use them when it comes down to
14 our civil forfeiture team. The civil forfeiture
15 team will use them when it comes down to seizing
16 assets and proving the origin of the wealth and
17 the banking history, et cetera. So we will use
18 them for that. We will also use FINTRAC when it
19 comes to proactive investigations that we are
20 investigating. I think that when we're -- so I
21 think you have a proactive investigation that
22 you're kind of working towards and getting
23 orders and kind of moving the investigation
24 forward. Then the FINTRAC that kind of
25 classifies as a reactive kind of investigation

1 where you're having time to kind of go through.
2 I think that in my experiences it's been helpful
3 in the reactive investigations for FINTRAC when
4 they, you know, you have time on your hands when
5 you're seizing assets. Like I explained earlier
6 we have up to ten years to seize assets when it
7 comes to a forfeiture order on those. I think
8 when it comes to proactive investigations in my
9 experience FINTRAC hasn't been as timely.
10 Unfortunately as an investigation goes on you
11 provide FINTRAC with the information you're
12 looking for, targets you're looking at obtaining
13 information on. Some of those the return on
14 information is three, four, five months past
15 when it's been asked for or requested, which
16 obviously when you are trying to formulate a
17 plan investigatively and coming up with your
18 tactics to -- if you have whatever the predicate
19 offence is and you're coming up with your plans
20 to investigate the person for the named offences
21 and then three, four, five months later the
22 investigation is progressing, the information
23 comes forward with the FINTRAC information, it
24 definitely delays and it makes it challenging
25 trying to investigate when the information isn't

1 timely, in my opinion.

2 Q Just to play that out a little, if you -- this
3 is completely made up, but if you had any sort
4 of ability to have realtime access to FINTRAC
5 data in the course of an investigation, what
6 would that mean? How would that be different
7 than the kind of delay you just described?

8 A (MH) I think, though, and all of these things is
9 I described them as building blocks in an
10 investigation. I think it would actually be
11 another building block if it was realtime like
12 you're describing. For us when you have people
13 that you're investigating, like if they are drug
14 dealers per se and they're high level drug
15 dealers, if we were able to get financial
16 information it would be able to at least
17 substantiate and build our grounds toward the
18 drug investigation and conspiracies, et cetera.
19 If you actually understood the back side of the
20 finances and the money that is moving through or
21 they are moving their money through I think it
22 can advance your investigations. I think it can
23 bring better clarity in the overall scope of the
24 investigation and what the targets are actually
25 involved in. And then I think, you know, it can

1 open up your investigative avenues for money
2 laundering or other kind of other offences if
3 you actually knew the full picture of what the
4 targets were involved in and the financial
5 history behind them.

6 Q Is it your observation that the fact of a police
7 investigation and certain steps being taken
8 could prompt someone to move assets, change
9 ownership, cover their tracks?

10 A (MH) Completely. It all depends on -- I think
11 it's, you know, there's a number of -- like
12 anything in life there's a number of different
13 skill sets and abilities even within the
14 criminal world and the more advanced and
15 sophisticated the targets are, the more
16 sophisticated they are at selling assets, hiding
17 assets, moving assets, moving money, et cetera.
18 So it all depends on the level that we're trying
19 to hit and investigate. If it's a drug dealer
20 on the street selling to a regular customer
21 base, I'm going to say they're not very
22 sophisticated. But when we come to the Lower
23 Mainland and British Columbia in general I think
24 we have a disproportion number of people that
25 are selling drugs internationally and sourcing

1 from source countries overseas, I'm going to say
2 that the level of sophistication is actually
3 quite high in British Columbia for a number of
4 organized crime criminals here.

5 Q When you describe the delay sometimes of some
6 months to get information from FINTRAC, I take
7 it that could create a problem that you're
8 getting stale information that first of all is
9 unhelpful to the investigation in terms of steps
10 that you want to take sooner with better
11 information but secondly could also create any
12 problem in actually chasing down those assets if
13 the clock runs for some months and the person
14 can move something into other hands.

15 A (MH) I think it causes a whole bunch of issues
16 investigatively. I don't think you're getting a
17 full picture of the targets when you are
18 conducting an investigation. I think you make
19 assessments when it comes to targeting for what
20 their involvement in named offences, and then I
21 think it does give them more leeway when it
22 comes to moving and hiding assets when they know
23 the police are on to them eventually if the
24 investigation comes to fruition and they get
25 arrested, and if you do at that point start to

1 target the finances it does cause problems for
2 moving and hiding of assets.

3 Q Inspector Mullin, do you have a comment with
4 respect to the usefulness and timeliness of
5 FINTRAC information from your point of view?

6 A (CM) No, just echo what Inspector Heard said.
7 Targets are sophisticated, they do know how we
8 work and we've had instances where the
9 information from FINTRAC has been delayed and by
10 the time we've traced some of the money to
11 properties, the properties have been sold off,
12 so it makes it difficult for us to from a civil
13 forfeiture aspect capture all of the assets
14 people possess that may be linked to the
15 proceeds.

16 Q Deputy Chief Crosby-Jones?

17 A (BCJ) No, nothing further to add.

18 Q I've asked a few questions that pick up on
19 FINTRAC as the possible source of information
20 and I want to broaden that out to asking more
21 generally about possible sources of information
22 or intelligence that relate in particular to
23 money laundering and financial crime type
24 situations. I'm wondering if there is
25 information or intelligence that is provided to

1 your departments from other agencies and bodies.
2 I'm thinking of things like, for example, the
3 Criminal Intelligence Service of Canada, the
4 Canadian Integrated Response to Organized Crime,
5 or CIROC, or possibly the PSB, the Provincial
6 Policing and Security Branch. Can you comment
7 on that. Why don't I again start with VPD as by
8 some margin the largest of our three departments
9 as part of this panel.

10 A (MH) Okay. I'll start with that. There are
11 other agency that we do get information from.
12 You touched on CISC. Currently I am assigned to
13 CISCBC in the Yukon, so part of that role is the
14 collection of a provincial threat assessment and
15 preparing targets, and some of the components
16 that we do look at and categorize for threats in
17 the province and the Yukon is financial
18 components and money launderers associated with
19 that. So that information is disseminated to
20 all placing agencies in British Columbia. And
21 then through PSB there is and through CSFEU and
22 police services there is the PTEP provincial
23 threat assessments, so a lot of those do kind
24 of -- the targets do overlap in those preparing
25 information on targets for policing agencies.

1 Q Thank you. I'd like to -- Deputy Chief
2 Crosby-Jones, I thought I might have seen you
3 unmute, but I don't want to put you on the hot
4 seat if you didn't mean to. Did you have
5 anything to add?

6 A (BCJ) I was going to say we able to share the
7 same intelligence bulletins, PTEP targets,
8 CFSEU, CISCBC and we have a fairly robust intel
9 section and lot of crime analysts, et cetera,
10 share information and that is robust within the
11 Lower Mainland as well.

12 Q All right. I'll turn to the topic of asset
13 forfeiture. The asset forfeiture can have a few
14 different components. We've heard a little bit
15 about the civil forfeiture avenue. There's also
16 the prospect of assets being forfeited in
17 relation to and really as an aspect of
18 sentencing in a criminal prosecution. I wonder
19 if you could comment on how your departments,
20 without repeating evidence you've already given,
21 identify cases for forfeiture of asset, whether
22 that is through the criminal asset forfeiture
23 route versus the civil forfeiture asset route.
24 And in particular if could you help us
25 understand when it may be that there's quite a

1 deliberate early decision to steer something to
2 civil asset forfeiture as opposed to a criminal
3 lawyer investigation leading to a report to
4 Crown and anticipated criminal prosecution? I
5 will welcome any -- maybe Inspector Mullin, I
6 can see if you're willing to go first.

7 A (CM) Sure. As I alluded to earlier we have that
8 early discussion with PPSC or Crown counsel as
9 to the willingness to look at the proceeds as it
10 relates to adding charges. And the viability
11 around that, and as soon as that decision is
12 made not to proceed we will engage civil
13 forfeiture right away, if they haven't already
14 been given the heads-up that this is the type of
15 investigation we are working on and this is what
16 they can anticipate in terms of a request for
17 their engagement moving along.

18 Q And just so I'm clear when you say PPSC I take
19 it you are referring to the federal Public
20 Prosecution Service of Canada, which would be
21 the prosecuting authority dealing with drug
22 cases?

23 A (CM) That's correct.

24 Q Okay. Thank you. Deputy Chief Crosby-Jones, if
25 I might turn to you on that question about are

1 there cases that will be identified for sort of
2 fast-tracking to civil forfeiture, going that
3 route as opposed to the criminal and prosecution
4 route?

5 A (BCJ) We follow the same threshold. We would
6 deal with Crown PPSC as well as we do have one
7 member assigned as kind of our threshold, our
8 gatekeeper that reviews all civil forfeitures.
9 So a lot of our drug files go to civil
10 forfeiture a little bit quicker than some of the
11 bigger investigative files, but we always engage
12 Crown first, prosecution services, to see if we
13 can go about it a different way prior to that,
14 but yeah, if that answers your question or not.

15 Q Inspector Heard, Deputy Chief Rankin, do you
16 have anything to add on that?

17 A (LR) Just a couple of points. As Inspector
18 Mullin and Deputy Chief Crosby-Jones have
19 mentioned consulting with Crown, whether it's
20 provincial or federal early on, we've found that
21 the civil process versus the criminal process
22 is -- can be dealt with far more expeditiously.
23 The other issue we are encountering now is if
24 Crown doesn't require the assets as evidence
25 then we can proceed civilly, we will do so

1 before the prosecution begins. But it also
2 negates the need for section 490 application
3 extensions, which is becoming a huge burden for
4 investigators. In fact we have dedicated
5 resources that now that are dealing with that
6 very issue and happy to make the argument before
7 a judge that we have this property retained.
8 And of course with disclosure rules that are
9 challenging to meet, this is one less burden
10 that we have to deal with if we go the civil
11 forfeiture route.

12 Q You describe the forfeiture regime. I take it
13 that's the criminal code rules that apply where
14 the police have seized items in relation to an
15 investigation or prosecution and then having to
16 return to court depending on the time of year
17 every six months to renew their authority to
18 continue to hold items seized. Is that what
19 that describes?

20 A (LR) It is.

21 Q Have those, out of interest, become more
22 cumbersome, more time demanding and more common
23 that you're seeing them actually contested or
24 heading into court? Is it more work from the
25 police point of view?

1 A (MH) I'll speak to that really quick,
2 Mr. Martland. I think from the VPD's
3 perspective I think that, you know, initially
4 off for I think it's for layman's terms we get
5 90 days once we seize a property before
6 appearing before a justice to ask for a further
7 extension which is a 490. I think that
8 unfortunately as part of the fallout with *Regina*
9 *v. Jordan* and Crown not accepting packages for
10 even charge assessment until we complete full
11 disclosure, I think a number of years ago before
12 *Regina v. Jordan* came into effect we were able
13 to get early charge assessment within the first
14 90 days. After the charge was met then we
15 didn't have to go for further detention order
16 because there's a substantive charge that means
17 that it's been laid. I think with the delay
18 right now when you start getting into processing
19 of forensics and forensic evidence, we talked
20 about production order results, everything that
21 we investigate and most offences that we
22 investigate from our investigative division
23 requires some kind of further fallout by getting
24 into phones, requesting DNA, production orders,
25 et cetera. None of those are done or returned

1 within 90 days. So all of these are triggering
2 us to go before a justice for an extension under
3 the 490 section of the code. And so what has
4 happened internally for policing is it's become
5 quite onerous on us now to actually have to go
6 back for all of these files that we normally in
7 previous history before *Regina v. Jordan* would
8 obtain charge approval. Now our time when the
9 offence actually occurs and when charges are
10 laid there's an extremely long lag time now and
11 so we are commonly going through and obtaining
12 490 extensions even for a couple of years before
13 we can actually make a charge package to put
14 forward through to the Crown.

15 Q So it's an interesting point. I take it that it
16 seems like one of the byproducts or consequences
17 of the *Jordan* decision from the Supreme Court of
18 Canada is that the starters gun for the timeline
19 on a prosecution is when does the charge get
20 approve and the matter goes into court and as a
21 result in a simplistic level what you're saying
22 is they are holding off, the starters gun is
23 going later but it creates this upfront problem
24 of needing to deal with having the authorization
25 to continue to detain property because you have

1 to wait until the charge is approved. Do I have
2 that sort of roughly right?

3 A (MH) Yeah, that's correct. I think it's become
4 more onerous on the police and the paperwork
5 aspect in kind of ensuring that we are handling
6 exhibits properly. We have legal authorization
7 to furtherly detain the exhibits, but all of
8 that is kind of creating -- we have a full-time
9 in-house counsel that their job is strictly to
10 deal with 490 applications and then put
11 investigator's time on top of that when you are
12 preparing the authorizations of the affidavits
13 to appear before court, and I think further even
14 upon that is to track down people to serve them
15 notice about the hearing. So all of it becomes
16 quite cumbersome when it comes down to just
17 further detaining and dealing with the property.

18 Q And then in light of that I take it in cases
19 where it makes sense and there's a proper basis
20 to have it go the civil forfeiture route that
21 has some real advantages of expediency that you
22 don't need to be into the 490 court application
23 route; it can simply be referred for processing
24 under civil forfeiture. Is that right?

25 A (MH) That's correct. It really expedites. It's

1 one less exhibit or piece of property that we
2 have to deal with and having to keep going
3 before a justice to request further detention as
4 the investigation before charges are laid.

5 Q Okay. I'm going to turn to the question of
6 international or transborder, transnational
7 criminal activity and I would be interested in
8 having you give your perspective on how your
9 departments engage in cases that refuse to
10 neatly comply to staying within one city, set of
11 city borders or national borders, to what extent
12 do you deal with authorities and investigators
13 in other jurisdictions in particular outside of
14 Canada? We've had a few answers that have
15 already touched on that. But why don't I start
16 in this case with VPD and ask you to comment on
17 that at a general level how is it that you are
18 dealing with investigators, prosecutors in other
19 countries and is it the case that most of that
20 is with the United States?

21 A (LR) It is the case that most of it is with the
22 United States. I can speak to the two cases
23 that Inspector Heard and I referred to earlier
24 where we have mass mail frauds or scams that are
25 occurring within the city limits but that have

1 solicitors in those criminal offences that
2 reside in the United States. So working with
3 the department of justice, United States Postal
4 Inspection Service extensively on those
5 investigations allows us to, if you will, have a
6 further reach and be able to pursue criminals
7 outside of our boundaries and then oftentimes
8 where we may not reach the charge approval
9 threshold in British Columbia, the evidence that
10 we've obtained during the investigation with the
11 assistance of the Department of Justice or other
12 United States police agencies, including the
13 Secret Service and Homeland Security, we can
14 provide that evidence we have obtained here to
15 those agencies and they can prosecute. We've
16 had some success recently with again solicitors
17 in the United States where we've sent our
18 investigators down with the evidence to testify
19 in court in the United States, and we found that
20 sentences by and large are far more significant
21 and they have a greater impact than we would
22 have in British Columbia.

23 Q So to pick up on that I take it from the point
24 of view of disruption, deterring criminal
25 conduct having an impact serving the public

1 interest, it's not exclusively you're only
2 focused on whether it leads to a conviction in a
3 Canadian criminal court, you may measure that
4 also by saying if it accomplishes it through a
5 foreign prosecution or process that may be
6 suitable?

7 A (LR) Ultimately, yes. I mean, we are not
8 setting out with the sole purpose of disrupting
9 or disruption. We would want to secure criminal
10 charges locally, but unfortunately there's a lot
11 of challenges with, as we said earlier, the
12 disclosure rules, getting evidence processed and
13 sometimes it can be done far quicker and with
14 the assistance of or going through the United
15 States, and as a result we may not be able to
16 secure charges here but we can in the United
17 States.

18 Q Deputy Chief Crosby-Jones, if I might turn to
19 you for a comment on that question about
20 engaging with investigators and processes in
21 particular in the US?

22 A (BCJ) Yeah, limited experience, exposure with
23 that. Certain investigations we engage US
24 authorities, but I would say probably limited
25 enough not really to add anything to this

1 conversation.

2 Q Inspector Mullin, anything to add from your
3 point of view?

4 A (CM) No, we fall in line with APD.

5 Q All right.

6 A (MH) Mr. Martland, can I expand a little bit
7 further?

8 Q Yes.

9 A (MH) I think expanding on Deputy Chief Rankin's
10 statements, I think with international partners
11 as well, like an example in VPD is we have been
12 asked by the Homeland Security that have targets
13 that have operated in Vancouver and with the
14 transnational and kind of international scope of
15 some of the people that we have operating in the
16 Lower Mainland, we have had people that have
17 been arrested in the United States in foreign
18 countries in relation to money movements and
19 money laundering, and with that we will attend
20 and send investigators to foreign countries to
21 determine if there's anything that can be
22 gleaned from the interviews and statements from
23 these individuals that would lead to and further
24 any kind of investigations in Vancouver or the
25 Lower Mainland.

1 Q Thank you. I'm going to turn to the topic of
2 casinos. I'm almost completed with my questions
3 and, as you know, there's a lineup of some
4 participants with questions once I finish. So
5 you're not quite off the hook, but you're
6 getting there.

7 On the question of casinos I think it's
8 right to say that each of your jurisdictions and
9 cities has a casino or one or more inside your
10 city limits. If you could describe, please,
11 from the point of view of your department what
12 type of engagement the department and its
13 members have with activity at casinos generally
14 and then more specifically to what extent is
15 that money laundering as opposed to what I
16 presume are the conventional fights, thefts and
17 disruption and those sorts of calls. Why don't
18 I start with Deputy Chief Crosby-Jones and then
19 I'll go to Inspector Mullin and VPD.

20 A (BCJ) We have one, Chances Casino in Abbotsford.
21 It's a just slots only casino. There's no table
22 games. Our involvement with police calls for
23 service are just the disturbance type calls,
24 drug trafficking, incidents that require
25 immediate police attendance. We have no money

1 laundrying files resulting from the Chances
2 casino.

3 Q Thank you. Inspector Mullin?

4 A (CM) Yes, similar to Abbotsford we have the one
5 casino, the Starlight Casino, and just in the
6 queries that I've done here recently the
7 majority of our calls for service are
8 nuisance-related calls. There have been no
9 suspicious transaction calls for service, if you
10 will, in a long time. And speaking with our
11 analysts yesterday, it used to be we used to get
12 them on a regular basis from BCLC employees at
13 the casino, and at one point around 2014 --
14 don't quote me on that -- GPEB engaged and tend
15 to work a lot with "E" Div RCMP on a lot of the
16 suspicious transactions that were occurring
17 within the casinos and it was at that point that
18 we stopped getting CC'd on a lot of the
19 occurrences there.

20 Q Was it your understanding at that sort of shift
21 in time as to when you were hearing about these
22 things and then that seemed to stop that they
23 were going over at that point to the RCMP
24 instead?

25 A (CM) Yes. And based on our queries, getting

1 back to 2010 that's evident with respect to the
2 file that were punched by "E" Division RCMP.

3 Q Deputy Chief Rankin, Inspector Heard for
4 Vancouver?

5 A (LR) Yes, in December of 2018 police services
6 branch requested information on stats for calls
7 for service to both the Hastings Racetrack and
8 the Parq Casino. So I'm just reading from the
9 email that I provided police services. We have
10 in 2018 only eight incidents that occurred at
11 the Hastings Racetrack, none of them to deal
12 with money laundering, if you will. The Parq
13 Casino, we had 326 calls for service in 2018 and
14 these range or varied from assaults,
15 intoxication, theft, frauds. But really I see
16 one gaming and betting call, but we did do --
17 our gang crime unit was quite visible at that
18 time in the casino because the Parq Casino had
19 recently opened up and there were as many as 57
20 inadmissible patron ejections by the Vancouver
21 Police gang crime unit. Of note, when the
22 analyst was looking at the stats in response to
23 the Parq Casino, there were 61 general
24 occurrence reports. So that was reports written
25 on our PRIME or records management system. But

1 they were created by "E" Division that
2 originated from the Parq Casino, and they were
3 related to suspicious currency transactions, but
4 I have no further information than that on those
5 files.

6 Q I wonder if you could comment on the nature of
7 the dealings that each of area departments have
8 and have right now with BCLC, GPEB and for that
9 matter casino operators, in particular dealing
10 obviously with money laundering or suspicious
11 transaction type activity. Deputy Chief Rankin,
12 is that something that --

13 A (LR) I would say that my -- certainly. My
14 dealings with -- of all those entities the most
15 dealings I've had are with GPEB and specifically
16 as part of -- I have members that are part of
17 the steering committee and the enhanced
18 enforcement response steering committee in the
19 development of an MOU with GPEB, and other
20 police agencies which addresses mutual sharing
21 of information and investigative protocols
22 related to casinos. I have been present for
23 training that GPEB were receiving from Ontario
24 Provincial Police on -- I believe it was cheated
25 game training, but really aside from introducing

1 myself to management at the Parq Casino I have
2 had limited dealings with BCLC, the casino
3 itself or the racetrack. Very limited dealings
4 and with, as I said, GPEB is probably the most
5 contact we've had.

6 Q Inspector Mullin, you gave a description of
7 things changing some years back. Right now is
8 there -- do you have engagement or does the
9 department have engagement with those bodies,
10 the casino operator as well as GPEB and BCLC?

11 A (CM) Not in terms of money laundering. Again we
12 set our priorities at the local level and don't
13 necessarily put our hands up to embark on money
14 laundering investigations. So at this point
15 there really isn't an operational need to engage
16 directly with them. However, we do sit on
17 various working groups where they are present at
18 the table and where I am assuming intelligence
19 is shared and whatnot.

20 Q Deputy Chief Crosby-Jones, any different or
21 further answer?

22 A (BCJ) No, we deal with the casino manager for
23 the routine calls for service and any sort of
24 community policing type aspects, but nothing
25 with regards to money laundering.

1 Q Thank you. My last one or two questions are
2 very high level but really to give you an
3 opportunity to offer any perspectives, views,
4 suggestions, that you would like the
5 Commissioner to take account of in thinking
6 about money laundering activity and steps that
7 could be taken to come to grips with it oriented
8 to your departments and the work that you are
9 familiar with. Are there suggestions,
10 initiatives, reforms that you support? Maybe
11 I'll add beyond what you may have already
12 commented on through the course of questions
13 today.

14 A (MH) Mr. Martland, I guess I can start this out.
15 I think for me and from an investigative
16 perspective I think that when it comes to
17 sharing of information and privacy unfortunately
18 all those things prohibit the investigations and
19 sharing of information limits on what we can
20 share between partner agencies and other
21 financial institutions, et cetera. So I think
22 that it becomes a challenge for all of us even
23 in policing and everything now what we do to
24 work these investigations up. Everything begins
25 with judicial authorizations. From there we

1 need a start point to have a nexus to begin our
2 investigations. And I think with that a lot of
3 times it's you see people that have unexplained
4 wealth and money that you think doesn't really
5 make sense, but unfortunately it's difficult to
6 for us to have the mechanisms in place to -- and
7 the information is so siloed for us to able to
8 go and share information and quickly ascertain
9 or determine the source of wealth or any kind of
10 financial records to kind of begin an
11 investigation. And I think a lot of those
12 siloed informations and units unfortunately and
13 the lack of sharing of information just hampers
14 an overall kind of collective to target money
15 laundering. I think unfortunately in the Lower
16 Mainland and British Columbia, like I explained
17 earlier, I think we have a disproportionate
18 amount of organized crime related to drugs in
19 our society and I think that with the high-level
20 targets that we have in British Columbia with
21 the drug transactions and drug activity the
22 byproduct of that is money laundering and, you
23 know, purchasing of expensive vehicles, houses.
24 We have seen some stuff in Vancouver related to
25 boats. And I think that when you look at it's a

1 symptom and a byproduct of the organized crime
2 and the drugs and the investigations, and I
3 think that at the end of the day we have to make
4 it tougher and challenging on these people to do
5 business in British Columbia because I think
6 unfortunately we've become such a haven for it
7 that it affects everything in our daily lives
8 right now. So anything we can do to kind of
9 break down those silos and sharing of
10 information and helping us further these
11 investigations I think would be helpful.

12 Q I'll simply pause to invite any of your
13 colleagues to add any comments or suggestions
14 they have.

15 A (LR) If I could just add to what Inspector Heard
16 said. The constraints on the sharing of
17 information are occurring at every level, so at
18 the municipal level, the provincial level and
19 the federal level. And I agree with what
20 Inspector Heard said about being able to a break
21 down or break through those silos, and I
22 acknowledge that we have to be respectful of
23 privacy concerns, but even with all that, taking
24 all that into consideration, we have so many
25 hurdles to get through in order to get

1 information in a timely manner. If there's some
2 way of addressing that while respecting privacy
3 concerns it would be beneficial.

4 Q Inspector Mullin, Deputy Chief Crosby-Jones, any
5 burning issues that you wanted to make sure the
6 Commissioner heard from you on or any comments
7 on those themes in particular about siloed
8 information and information sharing being useful
9 if possible?

10 A (CM) I have nothing further to add, only to echo
11 what Inspector Heard and Deputy Chief Rankin
12 suggested.

13 (BCJ) And as well for me.

14 MR. MARTLAND: Thank you. Mr. Commissioner, that
15 completes my questions from the panel members.
16 Thank you.

17 THE COMMISSIONER: Thank you, Mr. Martland. I'll now
18 call on Ms. Friesen on behalf of the province,
19 who has been allocated ten minutes.

20 MS. FRIESEN: Thank you, Mr. Commissioner.

21 **EXAMINATION BY MS. FRIESEN:**

22 Q My first question is for Deputy Chief Rankin.
23 You spoke about the enhanced enforcement
24 response steering committee, and I understand
25 that you are a member of that committee.

1 A (LR) I have members that have been attending
2 those meetings.

3 Q Okay. But you are generally familiar with the
4 work of this committee?

5 A (LR) I am.

6 Q Okay. And that's a joint initiative with GPEB;
7 is that correct?

8 A (LR) That's correct. That's correct.

9 Q Okay. And there are a number of members of the
10 municipal police departments that sit on this
11 committee. Is that your understanding?

12 A (LR) That is my understanding.

13 Q Okay. So it includes the VPD but also the New
14 Westminster Police Department as well?

15 A (LR) That's correct.

16 Q Okay. And now, you mentioned that the work of
17 this committee is to create a casino response
18 and communication protocol; is that right?

19 A (LR) That's correct.

20 Q Are you able to describe generally what the
21 purpose of the protocol is?

22 A Well, the protocol is to enhance sharing between
23 municipal, for example, police of jurisdiction
24 and the GPEB investigators, and then with the
25 understanding that they could perhaps have

1 enhanced enforcement opportunities so that we
2 would be assisting them, not taking conduct of
3 any investigations arising from a casino.

4 Q Okay. And is it your understanding that it also
5 establishes some protocols with respect to
6 reporting from the gaming service providers and
7 what was necessary and that reporting should
8 happen in realtime?

9 A (LR) Yes.

10 Q Thank you. And is it your understanding that
11 the plan is to implement that protocol once the
12 casinos open again?

13 A (LR) That's correct.

14 Q Okay. And -- sorry, go ahead.

15 A (LR) If I could just add, I know that from
16 looking at the various iterations of the MOU for
17 information sharing and that, we are still in
18 discussion and I know that our privacy
19 information counsel has sent back some revisions
20 recently, so I'm just waiting to hear back as to
21 where that state of the MOU is.

22 Q Okay. So there is an information sharing
23 agreement that's being worked on but it hasn't
24 yet been finalized?

25 A (LR) As far as I'm aware, yeah.

1 Q Okay. Thank you. You also in response to some
2 questions from Mr. Martland, you in response to
3 his questions regarding the loss of the
4 commercial crime section you gave evidence
5 saying that it would be beneficial to have a
6 provincial agency that addressed the gap that
7 exists. Is that a fair summary of your
8 evidence?

9 A (LR) That is.

10 Q Okay. And you gave the example of the PacNet
11 investigation; correct?

12 A (LR) That's correct. There was no other
13 institution that could take that
14 investigation -- well, I shouldn't say that.
15 The PacNet initially was we were assisting the
16 Competition Bureau executing search warrants on
17 behalf of the Department of Justice and the
18 United States Postal Service, but what flowed
19 from that were two additional investigations
20 that no other institution investigative agency
21 was able to take on, and so I made the decision
22 at that time that we were going to take that on.

23 Q Okay. Sorry, go ahead.

24 A (LR) With the assistance of the United States
25 Department of Justice and the Postal Service.

1 Q Okay. So that was a sophisticated international
2 investigation?

3 A (LR) It was.

4 Q Okay. Required some interjurisdictional
5 coordination?

6 A (LR) Absolutely.

7 Q Okay. And in addition to interjurisdictional
8 coordination such an agency would also, if there
9 was such an agency to assist, it would
10 necessarily have the expertise to attract
11 sophisticated targets in your view?

12 A (LR) Sorry, you broke up. Did you say who
13 didn't have the ability to investigate
14 sophisticated targets?

15 Q Right, so in speaking of, you know, having the
16 assistance [indiscernible] provincial agencies
17 and using PacNet as an example, that type of an
18 investigation as you've said required some
19 interjurisdictional coordination. And in
20 addition to interjurisdictional coordination I
21 would imagine that an agency would require the
22 specific expertise necessary to target and
23 investigate sophisticated operations?

24 A (LR) Yes.

25 Q And by "sophisticated" that would include

1 trade-based money laundering, for example, or
2 instance involving shelf companies?

3 A (LR) Yes.

4 MS. FRIESEN: Okay. Thank you those are my
5 questions.

6 THE COMMISSIONER: Thank you, Ms. Friesen. I'll now
7 turn to Ms. Gardner on behalf of Canada, who has
8 similarly been allocated ten minutes.

9 MS. GARDNER: Thank you, Mr. Commissioner.

10 **EXAMINATION BY MS. GARDNER:**

11 Q I might address my first question to either
12 Inspector Heard or Deputy Chief Rankin, but if
13 other panelists have something to contribute
14 then please feel free to jump in. I think I
15 believe we heard reference today to patrol
16 units, uniformed units and investigative units,
17 and I'm interested in understanding a bit about
18 the different roles those types of units
19 generally play, so I'm wondering if one of you
20 could complete describe the role each unit might
21 play in terms of dealing in particular with
22 money laundering or proceeds of crime.

23 A (MH) Okay. I'll start I think some of my
24 panel guests here can probably add to my
25 answer if they wish. I think that in a policing

1 organization most of our units we have patrol
2 officers who are frontline officers who
3 generally are responsible for dealing with 911
4 calls and emergency response calls, so they are
5 the members in uniform that you see in marked
6 police vehicles that as soon as you dial 911
7 they will be there within minutes to help you
8 with whatever crisis or problem is occurring.
9 What happens investigatively within the City of
10 Vancouver is if our investigators or our
11 patrolling members go to an investigation, or a
12 call for 911 or for a call for service and at
13 which point it becomes a little bit more
14 sophisticated or outside of their realm that
15 needs a specialized investigator, at that point
16 in the VPD we refer them to our specialized
17 sections for followup and for further
18 investigation. So if there's something that
19 relates to like a large scale fraud, a larger
20 investigation like a robbery, assault,
21 et cetera, it's referred to a specialized
22 section. A lot of times that will get a
23 business phoning in related or you get right now
24 it seems to be during COVID we are getting a lot
25 of romance schemes where people are demanding

1 bitcoin. Our patrol investigators will go.

2 They'll complete the initial investigation and

3 then those are then sent or assigned to our

4 specialized sections to follow up.

5 Q That's very helpful. Anything to add from other
6 panelists?

7 A (BCJ) I would say both from New West perspective
8 and Abbotsford perspective it's the same. We
9 have a primary investigative team that may
10 patrol control and then it goes to a secondary
11 if it requires further investigation.

12 Q So then it's fair to say as a bit of a summary
13 that these patrol or uniformed units wouldn't be
14 the ones undertaking the followup in-depth
15 investigations into a offences like money
16 laundering or proceeds of crime?

17 A (MH) No, I'll speak from the Vancouver
18 perspective. But as soon as you start getting
19 into these proceeds of crime or money laundering
20 like we've been discussing all day today it's
21 like to kind of further the investigation and
22 advance it towards a criminal investigation and
23 hopefully towards substantive charges, you are
24 going to need a number of production orders and
25 further investigative steps that our detectives

1 and our detective officers are more specially
2 trained to deal with.

3 Q Now, my next question I'll direct to Inspector
4 Mullin, but again I'd invite other panelists to
5 contribute if you have anything to add.
6 Inspector Mullin, I believe you gave evidence
7 earlier that your department relies to some
8 degree on secondment opportunities for your
9 members to develop skill sets required for major
10 case investigations. So I'm wondering if you
11 could expand on your understanding of how the
12 members in your department who have been
13 seconded to FSOC or CFSEU, how they are able to
14 develop skill sets through those secondment
15 opportunities and in particular skill sets
16 related to financial investigations?

17 A (CM) Sure. Well, you said CFSEU as an example
18 where we had a member seconded to CFSEU where
19 they initially learned the principles of major
20 case management, you know, the best practices or
21 standards that are employed when carrying out
22 complex criminal investigations that require
23 sort of an advanced level of understanding as it
24 relates to affidavit construction, file
25 coordination, disclosure, decision-making, and

1 you know, building accountability and
2 transparency into these more complex
3 investigations. So they get exposed to that.
4 And in furtherance to that depending on the
5 actual investigation they are attached to, in
6 this case it was a money laundering
7 investigation, you know, the member is exposed
8 to the nuances with respect to understanding the
9 law around, you know, the thresholds that you
10 need to meet under criminal law as far as
11 charter approval is concerned, the expertise
12 required in understanding the evidence and
13 seeking it out and seeking judicial
14 authorizations to obtain it. And then, you
15 know, from an investigative perspective working
16 with Crown counsel as it relates to meeting that
17 charge approval threshold and then disclosure
18 that comes with that. So again it's an advanced
19 level of education that they learn while
20 carrying out the investigation, and they then
21 come back and return to New West in various
22 capacities where those skill sets can be used to
23 the extent possible.

24 Q And in addition to some of what I might
25 characterize as the experiential opportunities

1 that you've described, are you aware of any
2 training that the RCMP provides to your members
3 during these secondment opportunities that might
4 also develop those financial investigations
5 skill sets?

6 A (CM) Yes, members are given opportunities to
7 attend courses that are specific to affidavit
8 construction, interviewing, file coordination,
9 financial crimes course, leadership courses as
10 it relates to running the investigations. Those
11 sorts of courses. So they are advanced. They
12 are specifically designed for members that are
13 currently undertaking or about to undertake
14 those types of investigations. I hope that
15 answers your question.

16 Q That does. Thank you. Is there anything to add
17 from other panelists?

18 A (LR) If I could just add one point to Inspector
19 Mullin's explanation is the provincial
20 government has set provincial standards now for
21 major criminal investigations and so training is
22 essential and so as a result our departments
23 created courses that we once relied on the RCMP
24 for, but their capacity and demand for those
25 very courses puts strain on them if we were to

1 go to them. So we've created our own courses,
2 whether it's forensic interviewing, writing
3 affidavits, file coordination, online undercover
4 training and all of which is mandatory
5 essentially now because of these provincial
6 standards. So agencies such as CFSEU-BC there's
7 secondments provide those opportunities, but
8 it's also required now.

9 MS. GARDNER: That's helpful. Hearing no further
10 additions from the panel, those are my
11 questions, Mr. Commissioner.

12 THE COMMISSIONER: Thank you, Ms. Gardner. I'll now
13 turn to Mr. Stephens on behalf of the BC Lottery
14 Corporation, who has been allocated ten minutes.

15 MR. STEPHENS: Mr. Commissioner, I have no questions
16 for this panel. Thank you very much.

17 THE COMMISSIONER: Thank you, Mr. Stephens.
18 Mr. Usher on behalf the Societies of Notaries
19 Public, who has been allocated ten minutes.

20 MR. USHER: Thank you, Mr. Commissioner.

21 **EXAMINATION BY MR. USHER:**

22 Q We have heard words today from the panel here
23 about delay, long lag times, hurdles. I'm
24 wondering you may be familiar with Sir Robert
25 Peel's *Principles of Policing*, the most famous

1 one is "the police are the public and the public
2 are the police." I'm just wondering from your
3 experience how was this impacting your
4 relationship with the public as they look to the
5 police for crime prevention and deterrence? How
6 is that relationship going? Are things breaking
7 down from your point of view?

8 A (MH) I think I can speak from a practical
9 standpoint. I spent ten years in our major
10 crime homicide unit. I have done a number of
11 corruption investigations. I've worked in
12 Federal Serious Organized Crime, CFSEU. And
13 unfortunately now with the lag of it it does --
14 you know, I think at the end of the day we do
15 work for the citizens. It's about finding
16 closure the best we can. I know that sometimes
17 just criminal charges doesn't always equal
18 closure for a lot of people. I think in my
19 experience it's a step in the right direction,
20 kind of from the healing process in especially
21 serious and traumatic events. You know, I don't
22 disagree with you when it comes down to the
23 public sentiment sometimes, having to explain
24 why it's taking so long to put a file together
25 or put charges together. Some of the files we

1 do, depending on the level of complexity, you
2 know, you get citizens telling you obviously
3 well, obviously it's person A who committed this
4 crime; like, you guys can't figure this out?
5 It's a lot of these other thing in the
6 background that go behind that to ensure that
7 and trying to explain and educate people in the
8 processes that we're going to ensure that we
9 guarantee a conviction or at least put ourselves
10 in a situation where we are best suited to get a
11 conviction in court that these time delays do
12 have to lag on, but it definitely is a challenge
13 trying to explain to citizens why these are
14 taking so long to get them to court and through
15 the process.

16 Q Thank you. Any other comments from other
17 panelists?

18 A (LR) If I could just add to Inspector Heard's
19 comments that we are working within the system,
20 the structure, the system, and we are using
21 everything tool available, and I have to say
22 that the civil forfeiture legislation has been a
23 huge assistance to us in order to take away the
24 proceeds of crimes and really in many respects
25 hobble these organized gangsters that are

1 operating sometimes with impunity within not
2 just the city but the province.

3 Q Thank you. Further in regard to civil
4 forfeiture, you've described how one big
5 advantage to it of course is the much simpler
6 process. Are you seeing that civil forfeiture
7 is working as a deterrent? So, for example,
8 I've noted that there seem to be a number of
9 serial civil forfeiture matters. In other
10 words, a house is taken; a couple of years later
11 another house is taken. So I'm wondering what
12 your experience now has been with civil
13 forfeiture both as a deterrent to ongoing crime
14 matters and this whole potential problem of
15 serial civil forfeitures.

16 A (LR) Just so I'm clear, when you mean serial
17 civil forfeitures are you saying that police are
18 going after the same individual?

19 Q That's right. I'm just wondering if you've had
20 some experience with that. So you do a civil
21 forfeiture, you take a house, you take a car,
22 but the person doesn't go to jail. They have
23 not received punishment for the predicate, the
24 underlying crime. How is that going? Do you
25 see people coming back again?

1 A (LR) That is a very good question. I can say
2 that we've -- if we are looking at our records
3 in terms of the assets that we've seized it's
4 been sizeable, and some of these individuals
5 have -- we've been able to basically deplete
6 them of the proceeds of crime to the tune of
7 millions of dollars, but that said is that
8 there's still people out there that think that
9 they're one step ahead of the police and will
10 continue their illegal activity. But we've
11 found that the tool has been very effective.
12 Now, what we do see, and this is maybe unique to
13 British Columbia, but with housing prices going
14 up, in the past we were seizing more houses, but
15 we are seizing fewer because criminals realize
16 that they invest their proceeds into a house
17 that we will be taking away and given the value
18 of real estate it's even a greater hit. Not
19 just the proceeds but the profit they made from
20 that real estate. So that is something to be
21 alive to. The other thing we are noticing is a
22 lot of these drug dealers that would once drive
23 high-end exotic cars to ply their trade, their
24 illicit trade, are now renting cars or using
25 Uber to conduct their business so that if they

1 get stopped and arrested by the police the car
2 can't be taken away. Those are just a few
3 examples of what trends we're noticing.

4 Q Thank you. So you are saying instead of assets
5 flowing in homes and expensive cars they're
6 going somewhere else. Do you have a sense of
7 where the assets are flowing if they're not now
8 going into the real estate or the expensive
9 cars?

10 A (LR) I would hazard a guess given some of the
11 intelligence that we received it's going into
12 cryptocurrency. And I'm not suggesting for a
13 moment that all cryptocurrency is illegitimate,
14 but that is one avenue where it really presents
15 a challenge for us, and especially if it's
16 overseas.

17 Q Thank you. I take it would it be fair to say
18 the problem for police is not so much uncovering
19 crimes but moving ones that you in fact know
20 about to prosecution? In other words, we know
21 there's the crime out there but how we move it
22 forward. Is that a fair comment?

23 A (MH) I would -- I'll step in. Mike Heard. I'd
24 say that is a fair assessment. I think that,
25 you know, as Deputy Rankin explained there's

1 rules and parameters on what we have to do to
2 further conviction and charges for Crown counsel
3 to ensure that it's conducted properly,
4 ethically and that we get everything done and
5 obtain the evidence that we need to, and you
6 know, unfortunately it does take time and energy
7 and effort and there are more people out there
8 that we know what they're doing, but
9 unfortunately it is a resource issue as well in
10 ensuring that we have the dedicated resource to
11 focus our energies on the people that we're
12 targeting.

13 MR. USHER: Thank you. Those are my questions,
14 Mr. Commissioner.

15 THE COMMISSIONER: Thank you, Mr. Usher. I'll turn
16 now to Mr. Gruber on behalf of the Gateway
17 Casinos and Entertainment Ltd., who has been
18 allocated five minutes.

19 MR. GRUBER: Thank you, Mr. Commissioner.

20 **EXAMINATION BY MR. GRUBER:**

21 Q My questions are specifically for Inspector
22 Mullin and I ask them in connection with the
23 Starlight Casino, which my client operates,
24 Inspector Mullin. You mentioned that between
25 2010 and 2014 your force did receive calls in

1 respect of suspicious transactions at the
2 Starlight Casino. Did I get that right?

3 A (CM) That is correct. That is per the criminal
4 intelligence unit officer that I spoke to
5 yesterday. That was his recollection.

6 Q Do you know if those calls were investigated by
7 the New Westminster police?

8 A (CM) They were received for intelligence only
9 but not investigated, no.

10 Q I took your answer to an earlier question from
11 Mr. Martland as that your force doesn't
12 currently have the resources to do complex money
13 laundering investigations. Is that right?

14 A (CM) That is correct.

15 Q But you have seconded officers to JIGIT; is that
16 right?

17 A (CM) To CFSEU in an investigative capacity.
18 Where our -- the investigations that our members
19 work on while they're at the seconded units is
20 entirely at the discretion of those that run
21 those units.

22 Q I see. And do you know if any of them have been
23 posted to JIGIT?

24 A I am aware of one New West member that had
25 worked on a JIGIT investigation for

1 approximately two years.

2 Q Do you know if any of them are currently posted
3 to JIGIT?

4 A (CM) Sorry, I do not.

5 Q And I take it that since 2014 your force's
6 interaction with the casino has been in
7 connection with what is described as nuisance
8 activity; is that right?

9 A (CM) That is correct, yes.

10 Q And as far as you are aware there are no
11 instances of your force being prevented from
12 doing any of the usual types of investigations
13 they would do in respect to nuisance activity?

14 A (CM) No.

15 Q And do you know if your force has been provided
16 with surveillance videotape in connection with
17 the investigations that they have done in
18 connection with nuisance activity?

19 A (CM) Yes, I am aware that's occurred.

20 MR. GRUBER: Thank you. Those are my questions.

21 THE COMMISSIONER: Thank you, Mr. Gruber. I'll turn
22 now to Ms. Tweedie on behalf of the British
23 Columbia Civil Liberties Association, who has
24 been allocated ten minutes.

25 MS. TWEEDIE: Thank you Mr. Commissioner.

1 **EXAMINATION BY MS. TWEEDIE:**

2 Q My first few questions pertain to civil
3 forfeiture and you've given some evidence in
4 that regard today and I will try not to be
5 redundant. But perhaps I can first pose my
6 questions to the VPD, so Inspector Heard or
7 Deputy Chief Rankin, and if the other
8 departments have different answers I invite you
9 to weigh in.

10 So my first question is you would agree that
11 assets seized pursuant to civil forfeiture have
12 not been proven to be the proceeds of crime or
13 derived from the proceeds of crime? Inspector
14 Heard?

15 A (LR) Sorry, it's Laurence Rankin. They have not
16 been prove in a court of law, in a criminal
17 court, no.

18 Q Yes, thank you. And it's of course easier for
19 the state to claim property through civil
20 forfeiture because of the lower standard of
21 proof that applies. You would agree?

22 A (LR) The balance of probabilities, yes.

23 Q Yes. And one of the benefits of the VPD using
24 civil forfeiture is that you can easily engage
25 with the civil forfeiture office; is that fair

1 to say?

2 A (LR) That's fair to say, yes.

3 Q And I believe you gave evidence earlier about
4 having some VPD employees who are seconded to
5 the civil forfeiture office. Is that correct?

6 A (LR) That's correct, and they are subsidized by
7 the civil forfeiture -- sorry, you broke up,
8 yes, we do, we have two members that are
9 actually subsidized by the civil forfeiture
10 office and then three additional members that
11 are on light duties or accommodated, but they
12 have background in financial crime
13 investigations.

14 Q Okay. And so the VPD and civil forfeiture are
15 integrated in a sense to allow for efficiency in
16 processing these claims?

17 A (LR) That's correct.

18 Q Are you aware of any evidence that civil
19 forfeiture is meeting its statutory goals of
20 deterring illegal acts and compensating victims?

21 A (LR) Well, I could speak to compensating victims
22 or -- but it's set up to for giving back to
23 community in terms of crime prevention grants
24 and crime remediation, so in that sense, you
25 know, we were assisting the larger community and

1 in some cases with respect to crime remediation
2 I would assume victims. In terms of deterrence,
3 certainly the taking away the assets will
4 inhibit the individuals from whom the asset has
5 been taken away to continue their -- often to
6 continue their criminal activity for a period of
7 time while we conduct often -- while we continue
8 to conduct the criminal investigation. So I can
9 say that taking away millions of dollars of what
10 are instruments of unlawful activity or profits
11 that have been acquired by crime through the
12 civil process as well as pursuing criminal
13 charges has been effective.

14 Q If I were to put to you that civil forfeiture
15 offices typically measure success by looking at
16 revenue generation as opposed to deterring
17 illegal acts would you have reason to disagree
18 with that statement?

19 A (LR) I think that's one way of measuring it.
20 But, I mean, I can't speak for the civil
21 forfeiture office, but I would say that
22 certainly we are looking at the amount of
23 monetary value of assets seized as one
24 indicator, but again I'm not a representative of
25 the civil forfeiture office.

1 Q Okay. And just my final question, are you aware
2 of any evidence showing that the Canadian civil
3 forfeiture regime is an effective tool for
4 combatting money laundering?

5 A (LR) Well, I don't have any evidence. What I
6 can say is when we do take away the instruments,
7 if you will, of crime, it's inhibiting money
8 laundering because they are not able to process,
9 they're not able to launder their proceeds of
10 their criminal enterprise.

11 Q But of course also recognizing that assets
12 seized haven't been proven in a court of law to
13 be proceeds of crime?

14 A (LR) in a criminal court of law, you're right.

15 Q Does any other department have different answers
16 to those questions I just asked regarding civil
17 forfeiture? Okay. Thank you. Deputy Chief
18 Rankin, may I ask how often does the VPD receive
19 a request information from FINTRAC to inform
20 your investigations?

21 A (LR) That's a very good question. I can say
22 that we have received, if you will, proactive
23 reports from FINTRAC. So they've identified
24 suspicious cash transactions with individuals
25 and they will send it to their financial crime

1 unit, but they because of capacity issues may
2 not be able to act upon it. They may also send
3 it to our major crime section or our organized
4 crime section, but again if we're already
5 engaged in an investigation on a target and
6 public safety, for example, is an issue, we're
7 focusing on that and we may not may not act on
8 that FINTRAC information or be in a position to
9 act on it.

10 And the other issue is I think for a lot of
11 people, and I would include myself in this, is
12 that they don't have the subject matter
13 expertise to look at those FINTRAC reports and
14 really drill down and see how effective they
15 could be to further an investigation unless
16 you're already actively focusing on those
17 targets. But to give you a specific number, I
18 don't know if my colleague Inspector Heard would
19 be able to provide or quantify.

20 (MH) I don't know it's answer to that.

21 (LR) Sorry about that.

22 Q Okay. And you spoke previously about the
23 timeliness of receiving FINTRAC information.
24 Were there -- can you recall situations where
25 you received information late from FINTRAC where

1 had you received that information earlier it
2 would have assisted you in your investigation?

3 A (MH) Yes, I can actually think of countless
4 investigations where it would have helped us
5 out. So I think with it and I think like I've
6 talked about previously in my evidence that all
7 of these things are building blocks in the
8 investigations, and so with the financial
9 component it's part of the makeup of our target
10 that we're investigating. And I think when it
11 comes down to planning an operation, obtaining
12 evidence, et cetera, like, if we do or we would
13 be aware of the financial component information
14 ahead of time it actually could have changed the
15 direction of investigations or given us newer
16 opportunities or different opportunities to
17 target the individual for the investigation.

18 Q How often does information from FINTRAC lead to
19 charges for money laundering or proceeds of
20 crime?

21 A (MH) I think it's utilized a lot when it comes
22 down to the civil forfeiture side, for those
23 investigations. When it comes down to a
24 criminal investigation for FINTRAC, I would say
25 I can't give you a specific number, but I would

1 say it's rarely.

2 Q So you would --

3 A (MH) Oh, Deputy Rankin wants to step in really
4 quick.

5 (LR) Our financial crime unit we use FINTRAC
6 reports on targets that they are investigating
7 for large transactions of funds through banks.
8 So it is being utilized by our financial crime
9 unit, but once they've got that target under
10 investigation. But I apologize. I can't give
11 you a specific number.

12 Q Okay. Would you say that the information from
13 FINTRAC is primarily used for civil forfeiture
14 files?

15 A (LR) I would say that it's used for civil
16 forfeiture files. A significant number of those
17 reports would be, but I couldn't say with
18 certainty that you have -- that they're being
19 used more than, say, our financial crime unit.
20 I believe in 2019 or 2020 there were I believe
21 500 referrals to the civil forfeiture office or
22 to our asset forfeiture unit, so I would assume
23 that FINTRAC reports would have been generated
24 by our asset forfeiture unit. If I'm looking at
25 our financial crime unit and as Inspector Heard

1 mentioned we've got 10 people, 10 investigators,
2 plus an additional three doing 15 to 30 files
3 annually, they could be generating a significant
4 number of FINTRAC reports as well, but again I
5 can't quantify precisely.

6 Q Okay. Thank you. I'm wondering if I could take
7 a moment to ask the other departments generally
8 the same questions, how often you receive
9 information from FINTRAC and how many times has
10 that information led to charges for you?

11 A (CM) So out of the last five significant drug
12 investigations carried out by our street crime
13 unit we've engaged FINTRAC and asked for reports
14 primarily for the purposes of determining assets
15 and working with civil forfeiture. We have not
16 used the FINTRAC reports in support of criminal
17 charges on any of those investigations.

18 Q Thank you.

19 A (BCJ) And we are currently waiting on a FINTRAC
20 report. We haven't used one in a criminal -- to
21 support a criminal charge to date. We are
22 waiting on a report back from a drug file.

23 Q Thank you. I just have a couple more questions.
24 So we touched on the issue of information
25 sharing earlier and you gave evidence about

1 information silos and how it would be necessary
2 and how you desire to have more information
3 sharing. My first question, is it fair to say
4 that even if you had access to information and
5 intelligence from other agencies such as CISC or
6 CIROC, is it fair to say that large-scale money
7 laundering is simply too complex and resource
8 intensive for a municipal police force to tackle
9 in a meaningful way given your competing
10 priorities?

11 A (CM) Just quickly as it relates to New West yes,
12 that's fair to say.

13 (BCJ) I echo that in Abbotsford as well.

14 (LR) Well, I think it is a challenge whether
15 it's I think with our mail fraud investigations
16 of just those two major projects, they have had
17 an impact upon hundreds of people elderly and
18 vulnerable throughout not just Canada but
19 throughout the world, and I would suggest that
20 it's difficult to measure and say that that
21 isn't a) necessary or has been effective to some
22 extent. And the challenge we have, though, is I
23 wouldn't abandon those types of investigations
24 even though I think we are punching above our
25 body weight as a municipal department in the

1 absence of a provincial agency that would
2 address the gap.

3 Q Okay. Would you agree that any calls for
4 increased information sharing must of course be
5 balanced with the rights and freedoms of
6 individuals, including privacy rights?

7 A (LR) Completely. As I said earlier in my
8 testimony, we have to recognize the demands of
9 privacy rights.

10 Q Everyone else agree with that as well? I see
11 nodding --

12 A (MH) Agree, yes.

13 MS. TWEEDIE: Thank you. Those are my questions.

14 THE COMMISSIONER: Thank you, Ms. Tweedie. I'll now
15 call on Mr. Rauch-Davis on behalf of
16 Transparency International Coalition, who has
17 been allocated 15 minutes.

18 MR. RAUCH-DAVIS: Thank you, Mr. Commissioner.

19 **EXAMINATION BY MR. RAUCH-DAVIS:**

20 Q Panel members, can you hear me okay? Yes.
21 Okay. I see some nodding heads. So I think
22 I'll start my questions with Inspector Heard.
23 There's been some evidence today about
24 difficulties of investigating money laundering
25 offences and I think you gave some evidence on

1 that. Would you agree that part of the
2 obstacles is that money laundering offences are
3 kind of like an invisible crime in that it
4 happens oftentimes at a separate place, a
5 separate time from that predicate offence?

6 A (MH) Yeah, I would agree to that.

7 Q Yeah. And in your experience have you started
8 to encounter more and more professional money
9 launderers? Do you know what I mean by that?

10 A (MH) Yes, I know what you mean by that. So I've
11 worked at Federal Serious Organized Crime. I've
12 worked a number of investigative units here.
13 And like I said in my experience I think that
14 disproportionately in Vancouver and the Lower
15 Mainland we have high-level targets for money
16 laundering, for predicate offences of drug
17 trafficking, importations, et cetera, and so
18 with that I do think that we do have a lot of
19 high-level targets related to money laundering.

20 Q Right. And it's within these organized groups
21 that there are specific persons whose sole job,
22 sole role within these organized crime groups is
23 to launder the proceeds of crime; right?

24 A (MH) That's correct, yes.

25 Q Yeah. And so part of the evidence you give

1 about following the money and the challenges in
2 following the money includes seeking multiple
3 production orders, attaining those orders and
4 that all costs a lot of time and resources. Do
5 I have that more or less right?

6 A (MH) Yes, I think that's accurate. I think
7 there's a number of other things that when you
8 go more sophisticated when it comes down to
9 utilizing techniques like trade-based money
10 laundering, I think when you start throwing in
11 the hawala system and picking up money. I've
12 been involved in investigations where we've been
13 told to show up at Robson and Granville and we
14 meet a person with a bag of money with a million
15 dollars cash in it that's traded informally. I
16 think that there's a lot of things going on.
17 And I know that production orders following
18 legitimate money in businesses, et cetera, is
19 one angle. There's a lot of other money
20 laundering techniques being utilized that
21 obviously most production orders we wouldn't be
22 able to determine what was going on.

23 Q Isn't one of those the techniques that's most
24 commonly used the use of corporate structures or
25 legal entities to launder proceeds of crime?

1 A (MH) That's one other angle, yes. That's a
2 little more sophisticated. So I think like in
3 all the things I have given in my testimony
4 today with criminals in crime groups there's
5 varying scales of sophistication. At the higher
6 end, I would agree with that statement.

7 Q And you say the use of corporate structures
8 that's at the higher end of the complexity
9 scale?

10 A (MH) Yes.

11 Q Okay. So have you run into that type of issue
12 in your investigations?

13 A (MH) I've come across it when I was at Federal
14 Serious Organized Crime with investigations,
15 yes.

16 Q And so isn't part of the problem from an
17 investigative standpoint that there's distortion
18 oftentimes on who the ultimate owner is of the
19 corporation, who is actually laundering the
20 money?

21 A (MH) I think in all these investigations, all
22 those things become quite complex in trying to
23 determine who moves the money, who has access to
24 the money, where it's going. I think all of
25 that becomes problematic for an investigation

1 ultimately leading towards criminal charges.

2 Q And all of that weighs heavily on the -- when
3 you're talking about the decision of whether to
4 pursue just the predicate offence or the money
5 laundering investigation, these types of
6 complexities, that's what you're referring to,
7 these complexities weigh heavily --

8 A (MH) That's correct, yes.

9 Q -- on deciding to just go with the predicate
10 offence; right?

11 A (MH) That's correct, yes.

12 Q Thank you. I have that. My next question I
13 think is for Deputy Chief Rankin. There's been
14 some evidence today by my friend about
15 experience and how you get officers or persons
16 with sufficient experience in money laundering
17 or financial crimes how to utilize them. So I
18 take it -- my next group of questions will kind
19 of go down that road. But first off I take it
20 you would agree that most senior police officers
21 such as yourself have quite a varied experience.
22 Right?

23 A (LR) I would agree, yes.

24 Q Yeah. I mean, my friend went through your
25 employment history, if I can put it that way,

1 and I took note of things like riot
2 investigation, professional standards, personnel
3 services, major crime. You have a long and
4 varied résumé. Is that accurate?

5 A (LR) It is.

6 Q And perhaps I'll just ask briefly of Deputy
7 Chief Crosby-Jones, same type of thing. Your
8 experience I took note of your biography
9 includes things like the emergency response
10 team, crisis negotiator, senior non-commissioned
11 officer, critical incident commander. Do I have
12 that right?

13 A (BCJ) Yes.

14 Q Would you agree that your experience is also
15 quite varied?

16 A (BCJ) Yes, it is varied.

17 Q Yes. And perhaps back to Deputy Chief
18 Rankin. Would you agree that that is typical of
19 kind of senior level police officers, whether
20 it's within the VPD or across the province?

21 A (LR) I would agree that it's typical.

22 Q Yeah. I mean, to kind of work your way up and
23 receive the promotions isn't it expected that
24 you'll get a variety of experience across
25 different subject areas?

1 A (LR) Yes.

2 Q Yeah. So the result of that is that you end up
3 with senior officers with an array of
4 experience, but my question is do you see that
5 as a risk or a potential risk that there aren't
6 true specialists at the top of -- or towards the
7 top of the rankings?

8 A (LR) That's a good question. In my experience I
9 think I've been around so long, almost 34 years,
10 I've got to know a number of people. My
11 colleague Inspector Heard I've worked with over
12 the last 15 years I know what his experience is.
13 But there's other people on the financial crime
14 side of things that I've worked with and
15 collaborated with and they have been able to get
16 promoted, some to say middle management. So I
17 draw upon their expertise. Would it be
18 advantageous to have someone with an extensive
19 financial background as an accountant in my role
20 as a deputy chief? I don't know if it's
21 necessary. I think it's -- I would need to be
22 aware. I am not a cybercrime investigator, but
23 I created a cybercrime unit based on training
24 that I was able to receive when I was an
25 inspector or superintendent in the global

1 studies program which was in my CV, and I was
2 able to identify people that I've worked with
3 over the last two decades and put them in
4 the right position. So right positions to
5 create a unit such as a cybercrime unit. My
6 willingness, if you will, to approve moving
7 forward on these mail fraud investigations is
8 because I've been able to identify people that I
9 know that I can conduct those investigations. I
10 couldn't conduct those investigations. I don't
11 have the skills, but I don't need them as the
12 deputy chief. I just need to be aware of who is
13 who in the zoo and be able to make the changes
14 that need to be made. And I've been able to do
15 that.

16 Q As deputy chief -- and I'll give Deputy Chief
17 Crosby-Jones an opportunity to answer the
18 question as well. I just have one follow-up
19 question on that answer, Deputy Chief Rankin.
20 As deputy chief you're responsible for
21 organizing the troops, so to speak, putting them
22 where they need to be based on priorities that
23 you identify; right?

24 A (LR) Well, that is identified not just by myself
25 but by ultimately identified and approved by the

1 police board through a strategic plan.

2 Q Right. And the police board that's comprised of
3 the mayor and several appointed officials, I
4 take it. That's right?

5 A (LR) That's correct.

6 Q Do you have opportunity to provide guidance to
7 the police board?

8 A (LR) We do on a regular basis. We provide what
9 are called report backs to the police board on a
10 quarterly basis and on an annual basis on the
11 strategic plan and the strategic goals and
12 priorities and where we are at with achieving
13 them.

14 Q And so maybe I'll turn to Deputy Chief
15 Crosby-Jones. I don't know if you have anything
16 to add on that question about whether there's a
17 lack of -- there might be a lack of specialists
18 within the upper echelon of the police services.

19 A (BCJ) To echo what Deputy Chief Rankin said, as
20 you advance in your experience you are not a
21 doer anymore, you are an overseer, and that is
22 the case. So the key to our role is identifying
23 the subject matter experts that are actually
24 doing the job and making sure that there have
25 the resources to do the job and support them in

1 their decisions. Yes, it would be nice to have
2 subject matter experts. Like we have IT people,
3 we have a child exploitation unit. Eventually
4 yes, having more experts in certain fields is
5 great, but at our level I think it is having a
6 broad understanding and ensuring that we engage
7 the right resources and power people to do the
8 job.

9 Q Thank you. My last set of questions I'll turn
10 back to Deputy Chief Rankin. It has to do with
11 investigative priority, and I have a note from
12 the evidence this morning that -- I can't recall
13 now which panel member said it, but money
14 laundering is not at the forefront in terms of
15 priority and that public safety trumps
16 everything. Do you agree with that?

17 A (LR) I would have to say that fighting violent
18 crime as a strategic priority is -- does trump
19 money laundering, but what we found in a review
20 in advance of this commission is that of the
21 files that were going back as far back as a
22 decade, we would be investigating violent crime
23 which would have a nexus to money laundering.
24 We wouldn't abandon the proceeds of crime
25 investigation, but we would utilize the tools

1 that were available to us that are most
2 effective which is asset forfeiture. And again,
3 we have a financial crime unit, and while
4 they're not battling violent crime they are
5 battling victimization of the elderly and the
6 vulnerable, and so in that sense I am supportive
7 of them in those projects that we would suggest
8 are perhaps not beyond our grasp but we are
9 getting there in terms of our ability to
10 effectively investigate and process.

11 Q Wouldn't you agree, though, that money
12 laundering truly enables criminal enterprise
13 just on a broad scale?

14 A (LR) It does, absolutely.

15 Q Including the risks of violent crime, drug
16 trafficking, human trafficking, organized crime;
17 right?

18 A (LR) That's correct.

19 Q So I'm wondering then, I guess my question is
20 doesn't that undermine the rationale that has
21 kind of been put forward that public safety
22 trumps all?

23 A No. I mean, we're going after those individuals
24 that happen to be engaged in criminal activity
25 that generates proceeds of crime but they're

1 also violent. So we go after the violent
2 offence. They are the violent offenders and
3 then as a result we eventually drill down to
4 going after the money laundering or the proceeds
5 of crime through the tools that are available to
6 us.

7 Q Wouldn't you agree that successful prosecutions
8 and forfeiture are the best deterrent to
9 commission of the same crime in the future?

10 A (LR) Yes.

11 MR. RAUCH-DAVIS: Those are my questions. Thank you.

12 THE COMMISSIONER: Thank you, Mr. Rauch-Davis. And

13 I'll now turn to Mr. Butcher on behalf of Brad

14 Desmarais, who has been allocated ten minutes.

15 MR. BUTCHER: Thank you, Mr. Commissioner.

16 **EXAMINATION BY MR. BUTCHER:**

17 Q My first question is for Deputy Chief Rankin.
18 You mentioned in your evidence that one of the
19 involvements of the VPD at the Parq Casino was
20 to remove some people who were inadmissible. Do
21 you remember telling us about that?

22 A (LR) I do.

23 Q What was the criteria for determining that they
24 were admissible. Was it that they had been
25 banned by BCLC?

1 A (LR) That's a very good question. I don't have
2 that information, Mr. Butcher. But if it's
3 under the inadmissible patron program there are
4 key criteria that we're looking at that, that
5 the members were looking at, because as I
6 understand it many of the restaurants and
7 establishments, licensed premises in the Parq
8 Casino were part of the restaurant bar watch
9 program. And I can expand if you like on the
10 criteria that my uniform gang crime unit members
11 would use.

12 Q No, I don't think we need that.

13 A (LR) Okay.

14 Q I was just wondering whether the banning -- or
15 the inadmissibility determination was made as a
16 result of something like that program or
17 something like a BCLC banning.

18 A (LR) I don't have the answer to that question.
19 I'm sorry.

20 Q The second question I have is for each of you.
21 The commission -- and there's a bit of a
22 background to it. The commission has heard a
23 lot of evidence about the prevalence of people
24 of Chinese origin involved in high value
25 gambling in the casinos in the Lower Mainland.

1 And we've heard from you collectively that drug
2 trafficking, outlaw motorcycle gangs, mass
3 marketing, securities fraud are the kinds of
4 criminal activity that generate the proceeds of
5 crime in your communities. Is that all fair?

6 A (LR) Yes.

7 Q I'm seeing some nods. I take it that the
8 persons involved and the organizations involved
9 in those kind of criminal activities come from
10 every ethnic group that we have in each of your
11 jurisdictions.

12 A (MH) I would agree to that.

13 (LR) I would agree as well.

14 (BCJ) I agree.

15 (CM) I would agree as well.

16 Q And the final question is more of a blue sky
17 question because we've heard so much about the
18 challenges that you collectively face with
19 respect to capacity, skill sets in investigating
20 all of the serious financial crimes that occur
21 in each of your jurisdictions, and we've also
22 heard at the commission of what some might say
23 is a limited success of the existing police
24 agencies in tackling those serious financial
25 crimes that are occurring. Would you

1 individually, each of you support the creation
2 of a separate serious financial crime or
3 economic integrity unit that contains
4 specialized police officers and embedded
5 specialists such as legal advisors, prosecutors,
6 accountants, computer analysts, those sorts of
7 people? Is that what we actually need?

8 A (LR) If I could I'll take a chance at
9 responding. I would agree that we need that.
10 We're doing that within the VPD, but we're doing
11 that between our cybercrime unit, our forensic,
12 our financial crime unit, our organized crime
13 section. We're drawing upon experts in the
14 field forensic auditors, accountants. So we're
15 doing that and if we could have it expanded
16 provincially that would be a huge assistance to
17 us as a municipal department and I think it
18 would go a long way to address the gap that
19 currently exists.

20 (MH) And If I can expand on that a little
21 bit further. I think part of the challenge on
22 it maybe in these investigations is reinventing
23 the wheel. So I think you need expertise; I
24 think that's a key component. And I think that
25 you need expertise that has a long tenure that

1 are able to stay there and actually have
2 continual investigation experience. I think,
3 unfortunately, a lot of policing circles -- we
4 talked about the wide range of experience,
5 including Deputy Chief Rankin, but on some of
6 these issues that are investigating, the key is
7 to have investigators that have seen and done it
8 a number of different times and have kind of
9 learned through their mistakes, if you will, and
10 able to kind of learn from their learned
11 experience of doing these investigations over
12 and over again. So a specialized unit is great,
13 and then it's having consistency within the unit
14 so you don't have investigators coming every two
15 or three years and having to retrain them and go
16 through the challenges and hurdles that they
17 have gone through in previous investigations,
18 and keeping people for long-term succession
19 planning where I think you'd actually breed more
20 success.

21 Q Inspector Mullin, I'm seeing you nod.

22 A (CM) I concur with both what Inspector Heard and
23 Deputy Chief Rankin stated as it relates to the
24 creation of a specialized provincial unit that
25 is specifically focusing on financial crime or

1 money laundering, absolutely. And I also agree
2 to Inspector Heard's point on tenure, and just
3 from my tenure at CFSEU, that is -- that can be
4 a challenge having to retrain people as they
5 come in, and from what I understand the tenure
6 issue at CFSEU is being addressed and looking to
7 be expanded just for that very reason.

8 Q And Deputy Chief Crosby-Jones?

9 A (BCJ) Yes, Mr. Butcher, I agree as well, we
10 would benefit from the size of our department
11 having access to the expertise and being able to
12 contribute to the expertise of a larger unit.
13 Municipally, though, we do face the tenure
14 challenge. All our agencies face that because
15 collective bargaining and other things that
16 factor into how long we can stay in a particular
17 section, so that's a hurdle we would have to
18 work through to make it successful.

19 MR. BUTCHER: Thank you. Those are my questions.

20 THE COMMISSIONER: Thank you, Mr. Butcher. Anything
21 arising, Mr. Rauch-Davis?

22 MR. RAUCH-DAVIS: No, thank you.

23 THE COMMISSIONER: Ms. Tweedie?

24 MS. TWEEDIE: Nothing arising. Thank you.

25 THE COMMISSIONER: Mr. Gruber?

Brett Crosby-Jones (for the commission)
Christopher Mullin (for the commission)
Laurence Rankin (for the commission)
Michael Heard (for the commission)
Exam by Mr. Butcher

150

1 MR. GRUBER: Nothing arising. Thank you.

2 THE COMMISSIONER: Mr. Usher?

3 MR. USHER: Nothing arising, Mr. Commissioner.

4 THE COMMISSIONER: Ms. Gardner?

5 MS. GARDNER: Nothing arising, Mr. Commissioner.

6 Thank you.

7 THE COMMISSIONER: Ms. Friesen?

8 MR. RAUCH-DAVIS: No, thank you, Mr. Commissioner.

9 THE COMMISSIONER: And Mr. Martland?

10 MR. MARTLAND: No, thank you.

11 THE COMMISSIONER: All right. Well, I would like to
12 thank the members of the panel and sort of going
13 at it geographically from west to east Deputy
14 Chief Rankin, Inspector Heard, Inspector Mullin
15 and Deputy Chief Crosby-Jones, I think your
16 presentation has been very thoughtful and very
17 helpful and I thank you for the time you've
18 taken and the experiences you've shared with us
19 and your insights. They will certainly help us
20 in our deliberations. I think you are now
21 excused from further evidence.

22 Mr. Martland, we are over until tomorrow
23 morning at 9:30; is that correct?

24 MR. MARTLAND: Yes, Mr. Commissioner, that's right.

25 THE COMMISSIONER: Thank you. We'll adjourn until

Brett Crosby-Jones (for the commission)
Christopher Mullin (for the commission)
Laurence Rankin (for the commission)
Michael Heard (for the commission)
Exam by Mr. Butcher

1 then.

2 THE REGISTRAR: The hearing is now adjourned until
3 March 31, 2021, at 9:30 a.m. Thank you.

4 **(WITNESSES EXCUSED)**

5 **(PROCEEDINGS ADJOURNED AT 12:45 P.M. TO MARCH 31, 2021)**

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