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REPORT OF PROCEEDINGS
(HANSARD)

SELECT STANDING COMMITTEE ON
CROWN CORPORATIONS

Victoria

Wednesday, October 8, 2003

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**SELECT STANDING COMMITTEE ON
CROWN CORPORATIONS**

Victoria
Wednesday, October 8, 2003

Chair: * Ken Stewart (Maple Ridge-Pitt Meadows L)

Deputy Chair: * Harry Bloy (Burquitlam L)

Members:

- * Pat Bell (Prince George North L)
- * Susan Brice (Saanich South L)
- * Daniel Jarvis (North Vancouver-Seymour L)
- * John Les (Chilliwack-Sumas L)
- * Harold Long (Powell River-Sunshine Coast L)
- * Barry Penner (Chilliwack-Kent L)
- * Rod Visser (North Island L)
- * John Wilson (Cariboo North L)
- * Patrick Wong (Vancouver-Kensington L)
- Joy MacPhail (Vancouver-Hastings NDP)

** denotes member present*

Clerk: Kate Ryan-Lloyd

Committee Staff: Jonathan Fershau (Committee Researcher)

Witnesses: David Douglas (Chief Officer, Organized Crime Agency of B.C.)
Nancy Eng (Organized Crime Agency of B.C.)
Gerry Stearns (Organized Crime Agency of B.C.)

CONTENTS

Select Standing Committee on Crown Corporations

Wednesday, October 8, 2003

	Page
Review of the Organized Crime Agency of British Columbia	273
D. Douglas	
G. Stearns	
N. Eng	
Future Meetings.....	284

MINUTES

SELECT STANDING COMMITTEE ON CROWN CORPORATIONS



Wednesday, October 8, 2003
9 a.m.
Birch Committee Room
Parliament Buildings, Victoria

Present: Ken Stewart, MLA (Chair); Harry Bloy, MLA (Deputy Chair); Pat Bell, MLA; Susan Brice, MLA; Daniel Jarvis, MLA; John Les, MLA; Harold Long, MLA; Barry Penner, MLA; Dr. John Wilson, MLA; Patrick Wong, MLA; Rod Visser, MLA

Unavoidably Absent: Joy MacPhail, MLA

1. The Chair called the Committee to order at 9:07 a.m.
2. The following witnesses appeared before the Committee and answered questions:
Organized Crime Agency of British Columbia
Witnesses:
 - David Douglas, Chief Officer
 - Gerry Stearns, Advisory, Policy Planning and External Relations
 - Nancy Eng, Controller
3. **Resolved**, that the audited financial statements of the Organized Crime Agency be removed from the public record of the Committee's meeting, and that the Committee continue its meeting in-camera. (Harry Bloy, MLA)
4. The Committee met in-camera from 9:52 a.m. to 11:01 a.m.
5. The Committee continued to question the witnesses from the Organized Crime Agency.
6. The Committee recessed from 11:31 a.m. to 11:34 a.m.
7. **Resolved**, that the Committee continue its meeting in-camera. (Harry Bloy, MLA)
8. The Committee met in-camera from 11:35 a.m. to 11:52 a.m.
9. The Committee reviewed its upcoming meeting schedule, agreeing to meet on October 29 to review the draft Committee report; on November 19 to meet with representatives of BC Housing and on November 26 to meet with representatives of the Oil and Gas Commission.
10. The Committee adjourned to the call of the Chair at 11:55 a.m.

Ken Stewart, MLA
Chair

Kate Ryan-Lloyd
Clerk Assistant and
Committee Clerk

WEDNESDAY, OCTOBER 8, 2003

The committee met at 9:07 a.m.

[K. Stewart in the chair.]

K. Stewart (Chair): Good morning. In this Select Standing Committee on Crown Corporations we have before us today the Organized Crime Agency of British Columbia.

I'd like to start with introductions. We'll start with Kate Ryan-Lloyd to my left.

K. Ryan-Lloyd: Good morning. My name is Kate Ryan-Lloyd. I'm the Clerk to the committee this morning.

J. Fershau: Jon Fershau, committee researcher.

S. Brice: Susan Brice, MLA for Saanich South.

P. Wong: Patrick Wong, MLA for Vancouver-Kensington.

P. Bell: We're about to be joined by Dr. John Wilson, who's right behind us here, from Quesnel.

J. Wilson: Cariboo North.

P. Bell: And I'm Pat Bell from Prince George North.

G. Stearns: I'm Gerry Stearns from the Organized Crime Agency of British Columbia.

N. Eng: Good morning. I'm Nancy Eng, controller for the Organized Crime Agency.

D. Douglas: I'm Dave Douglas, chief officer of the Organized Crime Agency of British Columbia.

R. Visser: Rod Visser, North Island.

H. Long: Harold Long, Powell River-Sunshine Coast.

D. Jarvis: Daniel Jarvis, North Vancouver-Seymour.

H. Bloy (Deputy Chair): Harry Bloy, Burquitlam.

K. Stewart (Chair): Harry is also our vice-Chair, and I'm the Chair, Ken Stewart from Maple Ridge-Pitt Meadows.

Just before we get started, I'd like to go over the process which we use here. All the information that's put out today, unless we go in camera, goes in *Hansard* and should be distributed through the Hansard Services on the webpage within a day or so, so that — twofold.... One is that you'll have an opportunity to look back at some of your comments and have it there in print forever for all the public to see. I'll just give you that little caution.

Because of the nature of the Organized Crime Agency, if there's any information or a question we ask that you feel you'd like to answer but it may be of such sensitivity that we should go in camera, just let me know. We'd certainly be prepared to do that.

The second thing is with the processes. We've allotted up to an hour for the presentation. There will be no questions unless it's a procedural question that someone has, and they're pretty clear on what those are by now, I trust. If not, we'll be holding all the questions for the second hour, at which time, if we don't complete all the questions we have or if there's a question we ask that you might want to look into in more detail before you respond, those responses can be sent through the Clerk's office. It will be distributed to the committee. All our correspondence goes through the Clerk's office, and they distribute it outward from there.

[0910]

I think that's pretty much it, so if you would like to start.... Oh, one other point is that we do use first names here, unless you have any difficulty with that. It just makes it a little easier and more comfortable in this setting.

The report will be presented to the Legislature during this session, I would suspect, and there'll be no discussion of the draft outside of this room until you get it. All your correspondence will go through the Clerk's office, and the first person to get the report will be the Speaker.

If you'd like to start, David.

Review of the Organized Crime Agency of British Columbia

D. Douglas: Mr. Chairman, thank you very much for the opportunity, on behalf of the Organized Crime Agency, to meet with you today to talk about the organized crime situation in British Columbia. What we're going to do over the next hour is talk about the challenge of organized crime in 2003, our strategic response and our performance in that area over the last year, and the accountability processes we've put in place.

It's safe to say that organized crime is the world's fastest-growing industry — low investment, huge profits, little deterrent and an unquenchable thirst out there in the general public for contraband. It's a force that affects everyone. When you look around, you see it every day — increased health care costs due to drug use, increased home and car insurance rates based on break and enters and a tremendous number of thefts of autos. In fact, on the auto theft side alone it's a \$600 million industry — a cost to insurers in this country. Increased credit card rates. Right now the banks are estimating that 1/12 of their revenue goes to counterfeit credit cards. That's why your interest rates are so high on credit cards. Just with grow ops alone, \$1 billion is stolen from various hydro companies across this country. Of course, we have the resulting public safety issues.

Its citizenship is global. We'll see from some of our investigations that go international, on day 2, that

transnational organized crime is a global problem. Its currency is cash. The International Monetary Fund estimates global money laundering to be somewhere between \$1 trillion and \$3 trillion a year. Its motive is profit and power. Money equals power, and that's the power to buy violence, to intimidate, to corrupt. I think we've all heard of "Mom" Boucher, who headed up the Hell's Angels in Quebec. His net worth assessment is over \$250 million. Its by-product is human misery. We see that every day on our streets in the downtown east side — health issues, violence, victims of fraud.

It's safe to say that in the past five to ten years, the face of organized crime has changed a great deal, and it has created unprecedented challenges for law enforcement not only in this country but around the world. Globalization — we'll touch on this in a minute — the fusion of criminal groups, multicommodity criminal activity, the use of technology, the geography of organized crime and the convergence of organized crime and terrorism.... As I said, that new face has created some real problems for us and some real challenges. You'll hear about those challenges over the next hour.

Just with the external challenges of organized crime, when we look at changes in world politics and business technology, who would think that things like the European Union and NAFTA would be an advantage to organized crime? It's huge advantages to organized crime. The European Union has basically created a borderless Europe, customs-free. People and goods travel quite readily right across Europe. That creates all kinds of issues, and it makes that environment vulnerable for organized crime to extort.

When we look at even our own situation, with the North America Free Trade Agreement, it is now possible to ship goods in bond from Mexico to Toronto without ever going through U.S. customs or Canada customs. Think of the opportunities that creates for organized crime if they set up — and they have — their own bonded customs importing businesses.

[0915]

No borders for organized crime. When we look at the map of the world, we see borders and boundaries and international jurisdictions. When organized crime looks at that same map, they don't see any of those things; they just see a seamless opportunity for criminal activity.

When we look at how fast advanced communications encryption has gone over the last five to ten years.... Think of something as simple as the cell phone you carried ten years ago compared to the cell phone you carry today and all of the different things that are built into that particular cell phone. Look at encryption. Look at the Internet. Certainly, organized crime has extorted those kinds of areas to their own advantage.

The rapid movement of goods and people and money. It wasn't long ago that you didn't have on-line banking or ATMs. Again, organized crime has been very quick to jump on those opportunities.

Diffusion of criminal groups is a very interesting thing, and this is the thing that has happened in the last five to ten years. These groups are now very cellular in

structure. They're organized like terrorist cells. They're hard to infiltrate. When one portion of that cell is infiltrated, it doesn't necessarily mean that you're going to be able to apprehend or interdict the other part of the cell, because there's separation in there, and they have very, very strong top-down leadership.

They're run like corporations, because they see the benefits of cooperation. They share their expertise. They share their contacts. They've created these non-traditional alliances. We've heard about the turf wars of the past. We are now faced with attacking organized crime groups that are made up of Vietnamese, Russian, Indo-Canadian, Chinese, Eastern European, all kinds of different languages and all kinds of different dialects inside those languages. Our main business is wiretap investigation, so we have to find the people who can do the translation services for us. So just that one little area there creates huge problems for us.

Entrepreneurial multicommodity criminal activity. These organized crime groups will become involved in a myriad of criminal activity. I'll give you an example of one of our projects called Coconut, and you'll hear about it a little later on. Within two weeks of starting the investigation, which went international on day 2 with various U.S.-based law enforcement agencies, we went from the exportation of B.C. bud to the importation of cocaine, huge money laundering, weapons trafficking, human trafficking and conspiracy to commit murder in New York State in two weeks. It crosses over all kinds of law enforcement stovepipes such as customs, immigration, state police, the FBI, the Secret Service. The coordination of that kind of investigation is difficult. They have created this kind of situation because they know we have difficulty dealing interjurisdictionally, both on relationships and the law.

They're pooling their resources and their expertise, especially in the area of counterfeit credit card fraud, identity theft and the flexibility to meet emerging trends. They're extremely flexible. You've heard about the drug Ecstasy, a rave drug. It's produced primarily in the Netherlands. The Netherlands has a liberal attitude toward drugs. From a Europol intelligence report, there are 120 different organized crime groups in the Netherlands — and that's not a very big country — all vying to export 15 metric tonnes of pure Ecstasy into North America within the next year. They are very flexible to the emerging trends.

The use of technology. You see the header on that news items there: "Hackers Crack A&B Site — Credit Card Details Revealed." The technology that fuels the legitimate economy also fuels criminal enterprise. We have crimes such as Internet crimes, on-line gambling, pornography encryption, software piracy, money laundering and denial-of-service attacks. We're coming into the world of on-line extortion and cyberterrorism. You just saw what happened when the power failed down in Ontario. Imagine if that was a cyberattack on a public infrastructure like a power grid, and they controlled that environment. They could bring it up, drop it down, bring it up, drop it down. Imagine what the implications of that are.

[0920]

With respect to one particular case here, on-line gambling, where we had an investigation that went on for two years targeted at an organization in Vancouver called StarNet Communications, who had Hell's Angels on their board of directors.... When we took that company down, it had revenue in the amount of \$48 million. Its stock was trading over-the-counter on the NASDAQ; its stock was worth \$1 billion. On the day of the arrest its stock lost \$250 million — the largest one-day loss in the history of the NASDAQ — and that was a Canadian organized crime company. That was on-line gambling.

As I said before, organized crime has been very quick to jump on these opportunities. Software piracy. We just completed an investigation — and you'll hear about it later — working with Microsoft on what was the largest seizure of pirated software in Canadian history, worth \$4.5 million. There is a lot of that going on out there.

Then we have the geography of organized crime — seaports, airports, extended border and coastline. Just looking at the map, you can see what kinds of opportunities that creates for organized crime.

We have the convergence of organized crime and terrorism. That is a very interesting thing that's happened over the last ten years since the fall of the Soviet Union. The Soviet Union used to provide state sponsorship for countries such as Cuba, a very perfect example. That state sponsorship is gone, and organizations such as the terrorist organization in Colombia called FARC, which now controls 40 percent of Colombia, now has converged with Russian organized crime in the international drug trade and trades cocaine for weapons to support their own infrastructure. So we do have the convergence of the international drug trade, organized crime and terrorism.

Of course, we all know about Afghanistan, where 75 percent of the world's supply of opium is produced. It's interesting because recently there was a report out by the UN that reported the opium output had rocketed from 185 tonnes in 2001 — that is, before the war. Before the war, it was 185 tonnes. In 2002 after the war, it's going to be 3,400 tonnes — an 1,800 percent increase in the production of opium — because the Taliban is no longer there to control it. Organized crime has been very quick to jump on that opportunity. Given that emerging trend, you can see that there will be an 1,800 percent worldwide increase in the availability of heroin, just based on that one statistic alone.

Here in British Columbia.... You can't see the header on the top of this particular newspaper, but it says: "Value of cross-border smuggling equals B.C.'s entire fruit industry." Imagine that: the marijuana industry now equals the B.C. fruit industry — the cross-border export of it. Here again we have a situation where 75 percent of organized crime is drug related. Now we have poly-drug traffickers. As I said before, we had these groups fused together. They're sharing their expertise, their contacts. No longer is a person a cocaine trafficker. He's a cocaine trafficker, a heroin

trafficker, a marijuana trafficker, an Ecstasy trafficker, an LSD trafficker, a methamphetamine trafficker. They've all fused together. They're sharing their contacts.

Of course, money laundering equals an increased power base for organized crime, and with that comes the resulting huge public safety issues. Here's part of it: violence, Hell's Angels, home invasions, violent assaults, murder and public safety issues. We see this every day in the paper, but what you don't see behind the paper is the extreme violence by these organized crime groups. We've just had a situation on an extortion where they stabbed this person multiple, multiple times. They could have killed him if they wanted to; they didn't want to. They stabbed him multiple times in the body and the head during an extortion. It was a Hell's Angels situation.

[0925]

We have extreme violence, violent assaults, murders and huge public safety issues around all of that. Shootings on the streets. Shootings in clubs. We have the intimidation of the courts, the police, the media and the judicial system. I'll give you a Vancouver example. In the last conviction of the Hell's Angels, Ernie Froess, who's a member of the Department of Justice, was intimidated by an associate of the Hell's Angels in a food court while a trial was going on. Police witnesses. We've had examples in Winnipeg of fire bombings of policepersons' houses. The media. We've had shootings of a reporter in Montreal. We certainly have a lot of intimidation going on there and a lot of violence by these organized crime groups.

Theft and fraud. Well, there are 175,000 cars stolen in Canada each year. Thirty percent of them are never recovered. So where do they go? Well, they end up in eastern Europe, in Russia — the former Soviet Union — or in southeast Asia. Fifteen thousand of them are exported every year. We've had cases that have involved major exportation of stolen cars out of this country into Vietnam and China.

Corruption. "Retired deputy chief laundered money," LAPD says." Well, this is a case where a deputy chief's son was trafficking in large amounts of cocaine, and he decided to.... He had all the expertise in investigating money laundering, and he decided to get on board with his son. He ended up being caught.

Corruption of police and government staff. When I put "government staff," I'm talking of people that are in positions of supplying information — something as simple as targeting somebody who works in the motor vehicle branch who can supply up-to-date information on addresses and vehicles, that sort of thing. That's the sort of people they go after — information base-type people.

Use of celebrity status by businesses and boards of directors. There are lots of examples of this. David Peterson, who is the past Premier of Ontario, was on the board of directors of YBM Magnex, a Russian organized-crime stock market play that ended up being investigated in the United States. It started in Calgary — \$750 million in fraud.

Then, of course, money laundering again. Money laundering is the fuel that actually funds all kinds of other criminal activities. I've talked about the multi-commodity criminal activity by these people. It funds all those kinds of activities.

Mortgage fraud and on-line banking are some of the other areas of money laundering. Really, what this does is create unfair business practices. When you drill down on certain websites of, say, the Hell's Angels, you'll find many, many businesses attached to those websites. How did those businesses get created? Who supplied the money for them? It comes out of money laundering.

Human trafficking. Smuggling versus trafficking. Smuggling is the actual bringing in of the migrant, and trafficking is the exploitation of the person through use of force, coercion, sexual exploitation. Who would think that in Canada, that trade is worth somewhere between \$120 million and \$400 million?

This is a very big problem for us in an emerging trend — what we call "pump and dump" stings, stock market manipulation. For us as an organization and for policing agencies around the world, it is very difficult to detect. There are huge jurisdictional issues, because most.... As I gave you the example before, it's not done in Canada. It's done in the United States. The over-the-counter NASDAQ is a very popular place for it. We have jurisdictional issues of having to get multi-legal assistance treaties to do the work in the United States. We need the expertise to investigate them, and with the demographics of policing and retirements, that expertise is quickly leaving. And they're long, lengthy, complex and expensive investigations.

[0930]

This is another big emerging trend when we look at identity theft. As late as a few days ago: "Thieves nab private data of 120,000 Canadians." Four computers taken from a tax department had names, addresses and SIN numbers on them. Identity theft is becoming a huge problem, and it accounts for 40 percent of all consumer fraud right now — in the United States alone, 750,00 victims, \$2 billion in losses. It certainly links to organized crime and terrorism. And the proceeds of this crime also go to fund other activity. The problem here is the victim. Imagine if you were a victim of identity theft. It takes you 175 hours of your own time to clear your name and approximately \$800, on average, to do it.

Recently the hard drive of the Co-operators Insurance was stolen for 24 hours from Regina. They had the information of many, many Canadians who deal with Co-operators Insurance. I'm included in that. Inside that computer is your application form, your voided cheques, your SIN numbers, your everything. They have everything. With the use of technology and computer graphics, they can create a new identity overnight. It's a huge problem.

How do we adapt? I think Janet Reno coined it very well on this: "We cannot hope to prevail against our criminal adversaries unless we begin to use the same interactive mechanisms in the pursuit of justice as they

use in the pursuit of crime and wealth." We really have to mirror organized crime. We have to do what they're doing. We've got to become global. We have to fuse together into partnerships. We have to create that kind of multidisciplinary team to attack organized crime, and we have to use technology to our advantage.

We have to be proactive versus reactive. This really leads into being an intelligence-led organization, where we're really using strategic and tactical intelligence to target our real threats versus our perceived ones, because it's a lot better for us to do that. We need to look at a campaign strategy versus a string-'em-up strategy. We've all seen in the paper: "Drug Sweep Nets 50." What does that really prove? Out of those 50, who are the real players in there? Nobody really says.

We need to get away from the string-'em-up strategy and move toward the campaign strategy, use intelligence-led policing, articulate our goals and objectives within our operational plans, have a coordinated prosecution and a coordinated investigation plan that clearly focuses on what our targets are. We need to do it in an integrated fashion. We need to use all the tools in the toolbox — whether that's taxation, immigration or other law enforcement agencies — and we need to be innovative.

The innovation, I think, is creating what really is the Organized Crime Agency, a stand-alone organization that's totally integrated and that enables policing in this province to focus its enforcement efforts on key people responsible for major organized crime in this province, which affects all of us around the table.

The agency has been in existence since December 1999. As I said before, we're charged with the responsibility of gathering intelligence on organized crime, strategically analyzing that intelligence, becoming an intelligence-led organization and focusing our efforts on key targets, and we do it in partnership with policing agencies throughout this province.

When you look at our mission — to facilitate the disruption and expression of organized crime that affects all British Columbians — we do that, facilitating that process, because we are the lead agency that gathers other agencies together and develops the intelligence to move forward with an aggressive attack on organized crime.

Of course, we share the same core values as other policing organizations in this province. Our enforcement teams fit into the national priorities that are developed by the Criminal Intelligence Service Canada, which are Asian organized crime, outlaw motorcycle gangs. We've built in a quick-response team that enables us to have the flexibility to investigate offshoot investigations as they come up.

[0935]

We have a proceeds-of-crime team, because it's not good enough to disrupt the organized crime groups through interdiction and prosecution alone. We have to suppress that group through the seizure of their assets. We have a Vancouver Island team that allows us to do that same job on Vancouver Island. We have a technical services group which, quite simply, is one of the

leading agencies in the country in the use of electronic surveillance. Here are some of our other operational services and administration services.

G. Stearns: It's my role here to discuss our strategic plan and the outcome, which is reported in our annual report. This is the fourth annual report that we've produced. We've continually refined our process for reporting our outcomes and our strategic planning process. We kicked off this last year by having a strategic planning process with all our senior managers and identified four strategic goals that the agency would pursue. This would be over the last fiscal year.

First of all, partnerships and integration. Dave talked a lot about the need for us to work with other law enforcement partners as well as regulatory agencies on local, national and international levels. Secondly, aggressive enforcement projects — actually investigating organized crime. Also, Dave talked about the need for "getting them in the pocketbook" through asset seizure by our proceeds-of-crime unit. Lastly, of course, we need to have a strategic goal of accountability.

To expand on the first strategic goal of partnerships and integration, the agency will continually identify, develop and maintain partnerships to enhance our ability to suppress and intercept organized crime. Dave has already talked about how important that is — to work together with domestic law enforcement agencies; our Crown, both the federal Department of Justice and the provincial Attorney General; and the international partners. We're going to talk about this a little bit more in our specific objectives.

We've identified a number of objectives under each strategic goal. The first objective for our partnerships and integration goal is to plan and execute integrated tactical operations and to use partnerships. The indicator here is the maximization of available resources and elimination of duplication. We have many law enforcement partners. There are many agencies out there that touch on organized crime, including the municipal police departments, the RCMP and many other regulatory agencies. It's our job to facilitate the investigation and to bring them together.

Some examples of our achievements. The full accounting is presented in the annual report. I'm just touching on some of the examples here. Dave talked about Project Blizzard. Project Blizzard was a large-scale importation and distribution of cocaine investigation — a multilevel organized crime group. Several organized crime groups were in collaboration here, so you can see the importance of our mirroring organized crime, collaborating in the same way they collaborate with other organized crime groups. It was a multi-kilogram-level seizure of cocaine.

The partners which were helpful in investigating this and bringing this to prosecution level were the Calgary police service, the Drug Enforcement Administration of the United States and the RCMP integrated proceeds-of-crime unit — the IPOC unit. This was an Asian organized crime criminal group that we looked at specifically here.

The second project that's a very good example of the kind of work our folks are doing was called Project Coconut. It was the largest counterfeit credit-card seizure in Canadian history. Dave talked about the counterfeiting and the fraudulent use of credit cards and other white-collar crimes. For this one, if you had added up the value of all the credit cards that were taken, it would add up to approximately \$200 million. That's a lot. You can imagine why the interest rates on your Visa or your other credit cards are going up. It's because of crimes of this nature. You can see the magnitude. There are Asian organized crime groups. In this project we partnered with the United States Secret Service, the U.S. Customs Service, the FBI and the DEA among others.

[0940]

Our second objective under partnerships and integration is to develop a consultative approach to case preparation with Crown counsel. It's very important to work hand in hand with Crown counsel, because our investigations are very complex. We need to work with them at the outset. The indicator here is enforcement initiatives which result in successful prosecutions and asset forfeitures. These are what we would think of as some of the basic outcomes of whether we can disrupt and suppress organized crime.

Some example of achievements in this past year. We have charges laid and anticipated for 38 individuals in Canada as well as two individuals in the United States, reflecting on our ability to partner with our American counterparts. The offences these people were charged with have included the production and conspiracy to produce Ecstasy, conspiracy to commit credit-card fraud and laundering of the proceeds of crime, so we've got the money-laundering aspect again. The total financial impact to organized crime groups by the seizure of some of their contraband and some of their assets was over \$18 million. That's often seen to be a good way to be able to disrupt and suppress organized crime — through their pocketbook.

Our third objective under partnerships and integration is enhanced international partnerships. As Dave said, there's seamless penetration of organized crime groups. We need to also mirror that by going international. The number of investigations with international alliances is our indicator in this regard.

Sample achievements. All OCABC enforcement initiatives have international scope. We have partners on every single one of our investigations. Washington State police, New Jersey and New York are some examples of our partnerships. A very good example is that with the assistance of OCABC, the Drug Enforcement Administration seized 384 pounds of pseudoephedrine. That's a precursor to Ecstasy and other stimulants. That would have a value of about \$500,000 approximately — very large seizures. That synergy we have when we work with other people is very important here.

Our second strategic goal is aggressive enforcement. Intelligence is very important to be able to steer the suppression and disruption of organized crime.

"Based on intelligence, target and prosecute the appropriate level of organized crime." We need to target high.

The objective under this strategic goal is to use strategic tactical and open-source intelligence to identify the appropriate targets. We do considerable strategic planning around identifying which targets need to be the focus of our investigations. The indicator here is tactical operational plans which focus on strategic targets within organized criminal groups.

Sample achievements. Intelligence is integrated into all of our projects. Projects focus all our resources on high-level organized crime figures — Asian organized crime, Hell's Angels, Indo-Canadian figures. The tactical intelligence assessment is completed, and operational plans are always completed before any of our investigations are initiated — that whole importance of planning and involving intelligence.

The second objective under aggressive enforcement is to develop innovative and flexible enforcement strategies. Dave talked about that need for mirroring organized crime. They're flexible; they're very innovative. We need to at least keep up if not do much better than them in this regard. Our indicator here is dynamic and responsive enforcement programs that successfully investigate organized crime groups.

What have we done? Examples. Forty individuals altogether have been charged. In another project we've done, Project Fast Cat, two individuals were charged. One pleaded guilty for production of Ecstasy and was deported to the United States already. Another one, an interesting one which has a little bit of a different twist, is Project Microsoft. One person was charged under the federal Copyright Act for the largest Canadian seizure of pirated software from Microsoft Canada.

Our third strategic goal is asset seizure. Dave talked about the need not only to be able to prosecute and put the offenders in jail but to disrupt and suppress organized crime through asset seizure. We're going to disrupt the organized crime groups through asset forfeitures and elimination of money-laundering schemes, those schemes that fuel organized crime.

[0945]

The first objective is to assess every single enforcement project for proceeds-of-crime potential and investigate where warranted — successful enforcement projects that include a proceeds-of-crime component. So we look at every project to see if there is an avenue for this kind of advanced investigation.

Some of the samples are: every project is assessed; five proceeds-of-crime subprojects have been initiated and are ongoing; so far, in the last fiscal year, \$2.5 million in assets have been seized in British Columbia, Alberta and Ontario, again using the synergies of working together with other law enforcement partners.

The third objective under asset seizure is to provide forfeitures of proceeds of crime and offence-related property to the province of British Columbia and to the government of Canada. The indicator is asset and forfeitures and tax assessments. Samples. Some of our partners include the RCMP integrated proceeds-of-

crime unit, the RCMP commercial crime section, the Canadian Customs and Revenue Agency, the United States Securities and Exchange Commission. We've made referrals to the Financial Transaction and Reports Analysis Centre of Canada, or FinTrack. Our proceeds-of-crime staff are also regular facilitators on RCMP proceeds-of-crime courses. So they are seen as being very important resources in this area.

Court decisions from our investigations are now finalizing. A \$700,000 forfeiture has been ordered in one case for assets; another \$800,000 forfeiture is proceeding unopposed.

Our last strategic goal: accountability. We have our own internal systems of accountability as well as more external or more public systems, like producing an annual report every year. OCABC continues to be an effective, accountable and fiscally responsible organization. That is our goal, and this is an ongoing process internally as well as externally.

Our first objective in this regard is operational plans which clearly articulate our goals and objectives. The indicator here is definable, qualitative and quantitative results of enforcement projects. An example of our achievements here: our operational plans have been completed for every single project. Also, post-operational analyses are completed in doing debriefings to make sure that we're doing the very best work we can do. Expenditures for the year, you'll be happy to know, are within budget.

Our second objective under accountability is to ensure that enforcement projects are effectively resourced and executed. The fight against organized crime requires very many highly trained and experienced individuals. On our staff we have people with law degrees, we have civilians with numerous different kinds of degrees, and we have sworn police officers who have very many different kinds of talent that contribute to the fight of organized crime. We need to use technology. We need to have people trained in technology.

The indicator here is that projects are appropriately staffed with these trained and equipped personnel. Our achievements here: we have memorandums of understanding in place with all law enforcement partners in British Columbia, all municipal police departments as well as the RCMP. As you can see, we have 36 municipal officers seconded to our agency as well as 45 RCMP officers. Fiscal resources are guaranteed through MOUs with the RCMP and with the province of British Columbia. We also have a Department of Justice lawyer on site to help us with legal advice.

[0950]

N. Eng: What I'd like to do with you guys today is quickly review the audited financial statements of the agency for the past two fiscal years, review with you the cost of an investigation that we've taken on at the OCABC, and then, finally, present to you the summary financial forecast and budgets as we presented in our service plan. That would include sources of our major revenue, sources of our major expenses, our key assumptions, and our forecast risks and sensitivities.

Our audited financial results for the past two fiscal years are presented in the statements that are included in your package. Our audited statements are not generally provided to the public and are not included with the annual reports, nor are they put onto our website. However, our goal in the agency is always fiscal responsibility, and our figures are audited by an external auditor. As part of that process, they review our internal controls to ensure that our policies are being met. In addition, we have our own internal financial policies to ensure that funds received from various sources, including the province, are properly expended.

You'll see from here that for the past two....

K. Stewart (Chair): I'd just like to make one comment. As we mentioned earlier, if there's any information here that you don't believe should be presented to the public at large, again I'll just caution you to let us know, and we will go in camera. I believe we did that caution earlier, so proceed. Thank you.

D. Jarvis: Did she not say that she doesn't give this out to the public?

N. Eng: They're not, but I won't record the figures into the....

A Voice: The report would be seen.

N. Eng: The financial report would be disclosed in *Hansard*?

K. Stewart (Chair): All the information presented to us today, unless noted, will be part of the public record.

D. Douglas: I think at this stage it might be appropriate to go in camera. Is that what you're talking about...?

K. Stewart (Chair): Okay.

Interjection.

K. Stewart (Chair): Just a sec.

Nancy, the question I'd have to you is: is there any information that's been presented so far that you would rather had not been presented?

N. Eng: I would like that the financial statements remain within the committee, if possible, and that they not be made public.

H. Bloy (Deputy Chair): Then I'll make that motion.

K. Stewart (Chair): So at this point in time we have a motion to keep the audited financial statements off the record. Could I have a further recommendation that we go in camera with that?

Motion approved.

K. Stewart (Chair): We'll now be going in camera.

The committee continued in camera from 9:52 a.m. to 11:01 a.m.

[K. Stewart in the chair.]

K. Stewart (Chair): We are now on the air — out of in camera.

If we can continue with our questioning of our witnesses, I'd just like to quickly remind the committee that what we're looking at.... We've had a very interesting presentation here. I know there has been a lot of interesting discussion in camera, but we should be looking at some of the strategic goals of the organization and at some of the risk measurements and how we're going to be looking out at the future.

If we have some strategic questions, we can start.

S. Brice: On the strategic goals and looking at, say, No. 1, "Partnerships and Integration" —and I certainly can see what has been striven for here — there's no kind of indication that there's going to be any relationship or partnership that brings the public into part of the equation. I guess what my question would be is: would there be value in focusing on public education so that the merchant that sells the knockoff purse to somebody in the boutique connects the dots and sees that the money is going to al-Qaeda?

You know, that kind of thing, which I think is a relatively new phenomenon for the public to understand. I'm thinking that in the whole scheme of things, there needs to be a public aspect in terms of public education. I'd be interested in knowing whether or not, in your strategic goals, that is ever contemplated.

D. Douglas: It was in the previous strategic plan to make the public aware of the issues around organized crime, as you've just described. We do it on a regular basis through various different mediums, whether it's through the Canadian Association of Chiefs of Police or at different venues, different conferences where we're making presentations to police and corporate entities. We also have made extensive presentations to various service groups about the issues.

What you saw today is very similar to a presentation I made to the Surrey Chamber of Commerce a few months ago. We are out there talking about these issues on a regular basis and about the impacts they have on the general public and organized crime vis-à-vis what you just talked about — the counterfeit products and that sort of thing.

S. Brice: Okay, thank you.

J. Wilson: In the grand scheme of things, is your success rate or the degree to which you're shutting these cells down keeping up with their growth on the other hand? Are they gaining on you, or are we gaining on them?

[1105]

D. Douglas: As I alluded to earlier, in the early part of my presentation I talked about globalization. When

organized crime came out of that starting block in the early 1990s following the fall of the former Soviet Union and that area, what you had back then in Canada was the dynamic that organized crime came out of the starting block and yet in policing, in that whole 1990s, shrinking police budgets — especially within the RCMP. I was with the RCMP at that time, and I witnessed it: organized crime flourishing and shrinking police budgets not being able to counter it.

We've come a long way in the last five years in building a strategy that mirrors what they're doing so that we can catch up. Even when I was in Toronto in the early 1990s, we watched Asian organized crime groups work through counterfeit Bell Telephone cards — home and cellular phone fraud — into counterfeit credit-card frauds. At that time we were one step behind them the whole way, and then we finally caught up to them in a huge way and in huge projects, but we did it through partnerships with various different agencies — to build that kind of multidisciplinary attack.

I think we're doing quite well. We paint this picture that those are our threats — right? That's the reality of what we're facing, but I think we're doing very well at countering that. We had three ships back in 2000 off the shore of Vancouver Island with 400-odd migrants on board. You haven't seen that since, but you've changed the strategy. Obviously, you're doing it some other way.

We have to always proactively try to chase these groups and, in doing it, use an intelligence and enforcement model that targets key people for enforcement rather than the megatrials that we've seen in Manitoba and Alberta recently. Other cases have gone by the wayside and little was accomplished, but if you look at the situation in Quebec where they focused on key people — Hell's Angels key people there — they've been extremely successful in putting those people away for many, many years.

I think there's a lot to be learned from that. Those are stand-alone organizations very much like the Organized Crime Agency, very much like the combined forces special enforcement unit that I worked in down in Ontario that can focus and take the time and that don't have the pressures that other policing departments have in having the day-to-day operational issues they've got to deal with. They can focus their efforts, stay focused on their mandate and move forward. When we do that, we're extremely successful.

I think we've come a long way. I think we have to use technology to our advantage in a huge way, and we are. We're becoming very, very technical in our surveillance. I think we're not far behind. There's a lot of criminality out there, but we're not far behind the key people.

J. Wilson: So then the level or the amount of organized crime in the province — in the country, I guess — is pretty well identified. Or are there still some big blanks that you haven't picked up on yet?

D. Douglas: No. It's pretty well identified. How it works is that a national threat assessment is developed by Criminal Intelligence Service Canada, which repre-

sents federal, provincial and municipal police across this country. They develop a national threat assessment based on the intelligence. It's uploaded into automated criminal intelligence systems — for that one, it's called ACIS. From that, they strategically determine who the organized crime groups are that need to be targeted for enforcement — whether it's motorcycle gangs, Asian, Indo-Canadian, aboriginal or whatever. They set the priorities. All of the investigations flow out of those national priorities.

Here in British Columbia we have what's called the B.C. Operations Council, which includes assistant commissioner Gary Bass with the RCMP, myself, the deputy chief of operations — I think it's Max Chalmers now — for the Vancouver police department and Bob Prior from the Department of Justice. We meet regularly on a month-to-month basis to talk about coordination of projects, to avoid duplication and to ensure that the level of targeting is at the correct level so that policing agencies across the province are in sync but are also in sync with the national priorities of Criminal Intelligence Service Canada.

[1110]

So coordination-wise, it's there. I think that the process evolves as we move along. I think we get better and better at it as we go out, as we start to understand the dynamics of these groups.

You have to understand that not long ago, we were just dealing with one group. Now we're dealing with five or six and all the intricacies of dealing with multi-ethnic, multi-language, multi-commodity things. I mean, it's a huge thing for us to get around. It's another thing for us to get around law enforcement stovepipes. Before, if it was customs, it went to Customs; if it was immigration, it went to Immigration. Of course, these guys cross right over, and we need to cross right over with them. We've come miles in the last couple of years in doing that. Yeah, I think we're strategically placed to target the very highest people in the province.

You know, you paint this picture, and that's the reality, but behind it we're doing a pretty exceptional job of catching some of these people who outgun us, outman us and outsource us.

P. Bell: I note in your service plan that you say right upfront that it should be noted that due to the nature of the business, targets and performance measures are in most cases more qualitative than quantitative. Yet when I kind of look through your plan, there are a number of areas that I think could be quantitative. I'll just note some of the ones.

Under goal No. 1, one of your key strategies is to develop a consultative approach to case preparation with Crown counsel, and the target or measure is to enforce initiatives which result in net prosecutions and asset forfeitures. Now, it strikes me that there could be measures applied to that — you know, a certain number of cases or successful prosecutions of cases. It strikes me that there should be some available measures.

In your goal No. 3, and the third bullet down: provide forfeitures of proceeds of crime and offences re-

lated to the province of British Columbia.... Asset forfeitures and tax assessments. Maybe kind of rolling averages or something like previous five-year averages should reflect, you know, a certain number of dollars.

I mean, when you do that, I think there's benefit to you. You mentioned earlier that when you went to Treasury Board a couple of years ago, you had just kind of brought \$6 million or \$7 million to the table and asked for \$3 million of it back and, of course, were well received. I think when you can demonstrate that measurement, it's easier for a group like Treasury Board to justify that expense and say we're actually seeing a real benefit of it.

Now, numbers can be deceiving as well, certainly, and it's important to pick the right measures. I'd just like some comments on if there are other thoughts or reasons around why you want to stay away from measures and if that is something you might consider in a future service plan.

D. Douglas: Well, what we've done is.... We did indicate it here today, but since the inception of the agency, we've been tracking every penny we've seized. We've valued out the contraband, as you see. We've valued that out. Referrals to taxation are captured in that particular management information document. We could go to the computer today and print it out and tell you. I think we added on \$5 million last month. The total economic impact, from start to finish, of the agency is around \$217 million. That's contraband, and those are provincial taxes that have been clawed back from these people. We even charge them GST. They've been charging them GST and, I think, PST too. We are tracking those.

I think with figures we have to be careful because as we indicated, when we say, "Total assets of this," people say: "You can't sell the Ecstasy. You shouldn't be. You can't sell this, so what's the value of it?" We do track it, and it is a very useful document. I meet with the Solicitor General on a regular basis, and I present these documents to him, so he has an understanding of where we sit with what we're doing.

[1115]

We could formulate it and should formulate it within our plan so that people have an accurate understanding of where we can go. It's a very simple process for us.

P. Bell: Good. Thank you.

D. Jarvis: Guidance from the Chair around a transcript....

K. Stewart (Chair): Yes, I'll get around to you. I have a question, then we'll come back to that side of the table.

My question is similar to what Pat Bell asked about comparatives out there when you're talking about your results. Do you have any comparatives to other policing organizations? When you go through and quite clearly describe what it is with your objective and then

you go to achievements.... I know it's difficult in policing as compared to.... We're not talking about a hospital, where they can say they do so many operations for this much money, or they should be able to — or ICBC, like we've had earlier, where they can easily compare their rates to Ontario rates to Alberta rates and that. Do you see any value in maybe doing some comparative, or do you have comments with regard to that? Given that we have this large a police force, this much money, here's the amount of cases that we successfully take to trial, and here's the outcome — that kind of thing — comparative to other agencies or organizations.

D. Douglas: Policing statistics are captured within the police universe by Statistics Canada, so we have a system of doing that. Beyond that, I think we capture it in that document that I've already indicated. The thing about statistics is that they can be kind of misleading. I'll give you an example. For three years when I was in Toronto — and we've had cases like that since I've been here — we aggressively investigated the Cotroni crime group and were successful in charging Frank Cotroni and his son. They've since gone to jail. It took three years. When you look at the stats, to Statistics Canada it's just two people charged multiple offences. We do capture the seizures on that, because we have a system of capturing those seizures.

Sometimes it's difficult to qualify how an agency's going quantitatively through statistics, because we're talking about quality. We're talking about the four red dots inside 120 people. For us to say yeah, we took down 240 people.... How many of those were really people that were of any interest to us? Probably only one or two or three. We focus our efforts on the people, and sometimes it takes a long time.

I think other policing agencies that are involved in this business, such as the RCMP on the federal side, have the same issues, same problems, because they're into long-term projects — some of them with us — and we're with them on some. How do you divide up those statistics? We have asset-sharing agreements, by the way, with them, so if they seize \$10 million, \$5 million of it is apportioned back to the agency as a predominant investigative group so that 90 percent of that comes back into the province. We've worked through those kinds of things.

It's hard to track responsibilities statistics-wise when you're involved in joint-force operations. Then again, sometimes not the quantity but the quality of the target is far more important.

K. Stewart (Chair): Maybe there's a way to measure that also. I'm not sure.

One of the things is that we're expending public funds, and the public expects value for money. Quite often they compare value for money with comparatives. As long as we're comparing, my only comment is that as long as we're comparing apples to apples and not apples to oranges and appreciating the fact that if you got the head of the Cotroni family for murder, that's quite a bit more significant than having someone

who has just openly murdered someone on the street, and you're right there — bang — and the investigation costs and that are minimal compared to something like that. I think if there's a way of comparing apples to apples, it may be somewhat helpful. That's my suggestion; that's all.

[1120]

D. Douglas: I think it goes back to Susan's comment about awareness of the issues to the general public. We take great care when we do our news releases on these projects. For a recent one on methamphetamine, where we took down an organization responsible for methamphetamine, we had somebody there from the drug awareness program of the RCMP to talk about the issues. We had somebody there from Health Canada to talk about the health aspects of that. We had somebody there from Environment Canada to talk about how all this material ends up in the ditches and the dangers of that. Of course, we wound down our own investigation. We had somebody there to present that.

I think a lot of it goes back to the awareness of the general public. I think police have got to get better at talking about good-news stories. A lot of times all we hear about are the bad-news stories, but there are a lot of good-news stories going on out there. Sometimes we're shy about doing that, because we're afraid of the sensitivities of flexing our muscles, so to speak, to other police agencies. In a joint-force operation it's very simple, because everybody benefits from it. We can certainly do things better in those areas. Capturing statistics and also the awareness of the general public is a huge area that we need to deal with.

K. Stewart (Chair): Obviously, the awareness.... Regardless of whether there were drugs out there or not, if people just chose not to use them, it wouldn't be much of a trade. That's the other way of it too. The market stops. Certainly, the most obvious way of putting them out of business is just not having a market for them.

P. Wong: In your mission statement you said that you are to facilitate the disruption and suppression of organized crime that impacts British Columbians. Do you have a mechanism so that people can report organized crime to your organization?

D. Douglas: We have a website that people have access to and can make their comments into. Many times we have had people phoning the office with information that is taken and then redirected internally or externally to other agencies for investigation.

P. Wong: But you don't directly take in any complaints in your office?

D. Douglas: Oh yes, we do. Sometimes they lead to some very good investigations. It would depend, in the final analysis — when we put together that sort of pro-

ject management plan — on whether it would fit into the mandate of the organization. We need to focus on what our mandate is, and we can't be all things to all people. If that would fit into our mandate, we would deal with it. If it didn't fit into our mandate, we would pass that off to another policing agency in the police jurisdiction that had responsibility for it.

P. Wong: In view of many crimes coming from Asia or South Asia, do you have any ability or any literature in these languages so it can facilitate the reporting of the crimes?

D. Douglas: We have permanent translators in the office that have those linguistics. We have an open-source section — in fact, the only section of its kind in the country — that goes through that kind of open-source material to pull out information they think is important to the policing environment.

P. Wong: How do you draw a line between your organization and, for instance, the Vancouver police department? From day to day we still hear the news that there's a drug trade in the Vancouver east area. How do you handle that, and how do you measure the performance of the successful rate of cracking down on these drug pushers?

D. Douglas: There again, through an intelligence-led type of format, we would develop operational plans so that we're targeting our enforcement efforts at the people responsible for the distribution of those drugs and the convergence of the money and the product together.

There are 454 grams in a pound. If you take off that pound, you've cut off 454 users down below. I think that using that sort of analogy.... And some of these projects have huge, huge amounts attached to them — one recent project of five tonnes of marijuana alone.

[1125]

We tend to focus our efforts at the distribution area, but we're in constant contact with the people down below within the Vancouver police department. We have the Criminal Intelligence Service of British Columbia housed in our office, which has representatives from various police departments — Vancouver included. That information is exchanged about street-level trafficking of drugs. It flows up; it flows down. The information goes both ways, so I think it's being handled as best it can.

K. Stewart (Chair): Just in the interests of time, John had a question. Again, make note, but if there are any.... I think we will finish, though. If there are any questions we have that are unanswered or if you happen to have the opportunity to be looking over *Hansard* and say, "Gee, there's some more information, and I'd like to respond to that," feel free to put it through the Clerk's office. We'll make sure that if it's of a confidential nature, it will be kept confidential. If it's not, it will

be distributed back out on the Web through the regular Hansard process. I'd just like to make this note.

I have John. Is there anyone else after John, or will that be it?

P. Bell: Maybe if you have time.

K. Stewart (Chair): Okay. I'd like to finish up this section in three minutes.

P. Bell: No, okay. It doesn't matter.

J. Wilson: I had a couple of questions — one you may not be able to answer, but one I think you can.

You made the statement that the cash that's seized is there and the people that are charged have access to it and can use it in their defence. Is there any way that you can change it so that's frozen and they don't have access to it? Would that require legislation? What would that require? I mean, it seems silly or crazy that if someone has a freezer full of cash and it's seized.... They can't prove where they got it, really. They have no way of proving it's theirs legitimately, yet they can use that money to hire the best defence in the country. There's something wrong with that.

The other thought I had, you may not be able to get into. As we're so interconnected with our policing agencies nationally and internationally, are we setting ourselves up somehow for failure? In a lot of countries there is a lot of corruption, and they may be able to know what's going on. The criminals may know what's going on long before they even make a move.

K. Stewart (Chair): If I could just rephrase the first question, because it might be sort of a policy question outside of your jurisdiction. If you want to just make a short comment on that, that would be fine, but I appreciate that it probably is of that nature. The second one I will leave to your discretion as to how you want to answer that.

D. Douglas: The first one, I think, is.... When I did this research paper, that was an issue — it certainly was — that came to the forefront. There are mechanisms for us to counter that at the time the person makes a motion to access funds that are seized — the amount that is to pass on to his defence counsel. If we do the proper case preparation, we can counter that by saying that this person has this and this and this — he has nominee relationships in this and this and this — and let the judge decide.

Maybe the guy should sell off some of his nominee relationships and his businesses to fund his own defence. In a lot of it, as I said before, we control our own destiny in these areas. If we do the proper case preparation up front, sometimes we can alleviate that particular issue. It's a Charter issue, though. That's what it is. That's where that stands.

K. Stewart (Chair): Second one? It was the one with regard to corruption.

D. Douglas: Corruption. Really, it boils down to trusting relationships. We deal on a case-by-case basis with different police agencies outside of this country. It's built on trust. It's only on a case-by-case basis. In the next case, we'll be probably working with a different agency with a different prime investigator. We believe in those kinds of trusting relationships.

You know, the agencies that we're dealing with have had long-established memorandums of understanding with the RCMP, whether they're DEA or Customs or Secret Service. Sure, you're going to run into problems with corruption, but I tend to believe that they're very few and far between.

K. Stewart (Chair): Pat, if you want to put it on the table, if you have a question.

Interjection.

K. Stewart (Chair): All right. I'd just like to thank you very much. I know it was a very informative presentation today. Again, the process will be if there doesn't appear there are any outstanding questions from our end, we will be working through a process of concluding a report, and it will be presented to the House. I would anticipate that we would probably get this one in this session, so before we go home for the Christmas break, you should be able to receive a copy of that through the House.

D. Douglas: Thank you very much for your time.

[1130]

K. Stewart (Chair): Again, everything will be on *Hansard*, so you can peruse that, I would suspect, within a couple of days.

Thank you very much for your presentation. Of course, the in-camera portion will be kept confidential.

We'll just wait until our witnesses leave. I don't want the members leaving. You might want to go over your notes in the interim, because we'll be going in camera again to discuss this case, and then we'll be opening it up for final comments. It's my anticipation to have everyone out of here by noon, if we're cooperative.

We'll just take a very short, on-table recess, meaning that we all stay here. If you just want to grab a quick coffee or something, that's great. We'll get back at it in another minute, and at that time I'll be looking for a motion to go in camera.

The committee recessed from 11:31 a.m. to 11:34 a.m.

[K. Stewart in the chair.]

K. Stewart (Chair): Our recess is over, so I'm looking for a motion to move in camera.

H. Bloy (Deputy Chair): So moved.

The committee continued in camera from 11:35 a.m. to 11:52 a.m.

[K. Stewart in the chair.]

Future Meetings

K. Stewart (Chair): We're now out of camera.

What we've decided is that our next meeting will be a working meeting, so the second meeting after that, we need another agency. The list out there that we have not seen yet includes B.C. Assessment, B.C. Housing, B.C. Games Society, Provincial Capital Commission, Land and Water B.C., Legal Services Society, liquor distribution branch, Oil and Gas Commission, Partnerships B.C., Science Council of B.C. and the Royal Museum. There's a couple that are still not available for us.

Any suggestions?

Some Voices: B.C. Housing.

K. Stewart (Chair): I heard B.C. Housing three times. Our number one priority would be B.C. Housing.

A Voice: Liquor distribution.

K. Stewart (Chair): Liquor distribution. I wonder if we should just wait on that, because they're still working on some stuff.

P. Bell: The Oil and Gas Commission.

K. Stewart (Chair): The Oil and Commission was one of our earlier ones that we recommended, so that could be a second choice. If I could just have one more for a third choice.

B. Penner: This may be more of a question than a suggestion, but there had been some kind of dialogue earlier, I think, about maybe having B.C. Hydro come back to provide more answers. Since we last met with them, I think their financial plans or projections may have changed somewhat given the issues around VIGP — the Vancouver Island generation project — the decision of the B.C. Utilities Commission and a number of other issues that may come to light in the near future. It may change some of their outlook. That might be something we want to ask about.

K. Stewart (Chair): It's my suggestion that we include that on our agenda for our next meeting. That was one of the topics — when we want to start bring-

ing back some of those other, larger Crowns because there may be some outstanding issues — but we do have to complete the report on their previous attendance. I think that's a good suggestion, and I suggest we put that on the agenda for our working meeting. Is that acceptable?

I'm looking for one more.

S. Brice: How about Assessment?

K. Stewart (Chair): B.C. Assessment? Okay, so that's the third one.

J. Fershau: Do you want to call more than one at a time?

K. Stewart (Chair): At this point in time.... Who is the top one on the list there?

J. Fershau: B.C. Housing.

K. Stewart (Chair): That'll be a session.

That's the other thing we can talk about at our working meeting. There are a lot of smaller Crowns, and we might want to see two of those a day. I think we could quite easily do that, so we'll leave that for discussion.

Our next meeting is when, Jonathan?

J. Fershau: I think it's the twenty-ninth, off the top of my head.

K. Stewart (Chair): We have four meetings scheduled, and we're going to stick to that schedule unless there's some change. We'll let people know.

J. Fershau: October 29.

B. Penner: That's our working meeting?

K. Stewart (Chair): That's our working meeting.

There was another suggestion. People requested, as it is a working meeting, if we could hold it off until 9:30 so people could attend the CUPE....

A Voice: Yes.

K. Stewart (Chair): All those in favour of doing that? Okay.

And do I have a motion to adjourn?

The committee adjourned at 11:55 a.m.