

MacNeil, Ken PSSG:EX

From: Steenvoorden, Tom PSSG:EX
Sent: Tuesday, December 5, 2017 2:11 PM
To: Roberts, Michelle J GCPE:EX
Cc: Sitter, Donna GCPE:EX
Subject: RE: RUSH: FOR EDIT/APPROVAL: AG Media Request: Money laundering

Please see my feedback below.

From: Roberts, Michelle J GCPE:EX
Sent: Tuesday, December 5, 2017 1:56 PM
To: Steenvoorden, Tom PSSG:EX
Cc: Sitter, Donna GCPE:EX
Subject: RUSH: FOR EDIT/APPROVAL: AG Media Request: Money laundering

Hi Tom,

The AG has received the media request below. Please review the highlights billets below and let us know if you'd like any revisions.

Apologies for the rush request but they hope to get this back to the reporter ASAP.

Thanks,
 Michelle

Reporter

Justine Hunter, Reporter
 Globe and Mail - BC Bureau
jhunter@globeandmail.com
 250-220-2718 c: 250-857-4779

Deadline Tuesday, December 5, 2017 1:00 PM

Request

The reporter would like to speak to the minister about the Federal agreement made with China for more cooperation around money laundering. The reporter has the following questions:

- 1) Is there any indication that the agreement has yielded change in B.C.?
- 2) Who described B.C. as the "Vancouver Model?"

Background

This is a follow-up to a media request from December 5, 2017.

REQUEST:

The reporter would like to clarify some background information:

- 1) Will gamblers have to declare their source of money if they bring in more than \$10,000 at a time to a casino?
- 2) Is it the casino's job to ensure that the source of money is not suspicious or illegal?
- 3) Who are the government regulators?
- 4) How many large high-volume casinos are there in the lower mainland?

Recommendation –

Is there any indication that the agreement has yielded change in B.C.?

- At this point, it is not possible to measure whether or not the 2016 agreement between Canada and China on Understanding on Cooperation in Combatting Crime has yielded any positive change to crime in B.C. casinos. I suggest you ask GPEB
- B.C. law enforcement has cooperated with Chinese law enforcement on ongoing investigations regarding money laundering activity. RCMP must answer this question.
- As investigations are ongoing, I cannot comment further.
- What I can say is that at present, there are clear concerns about money-laundering in the Lower Mainland and it is imperative that government moves quickly to reduce the risk of criminality in B.C.'s gambling facilities.
- I believe the recommendations I have announced today for implementation are an important step in that direction and I am eager to hear more from Peter German's independent review.

Who described B.C. as the "Vancouver Model?"

- TBC by the Minister – potentially a police term

"I was advised that the particular style of money laundering in B.C. related to B.C. casinos is being called 'the Vancouver Model' in at least one international intelligence community," he said in his prepared remarks on Friday. Said Minister Eby. This is not BC law enforcement term.

Kiewiet, Nargis PSSG:EX

From: Pecknold, Clayton PSSG:EX
Sent: Tuesday, October 31, 2017 6:38 AM
To: Jim GRESHAM
Subject: Re: perhaps a discussion tomorrow

Let me know when you can chat.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Jim GRESHAM
Sent: Monday, October 30, 2017 6:26 PM
To: Pecknold, Clayton PSSG:EX
Subject: Re: perhaps a discussion tomorrow

Copy. I am up early to Salmon Arm, but will call you.

Thanks
 Jim

Jim Gresham
 Assistant Commissioner
 Federal, Investigative Services and Organized Crime
 Criminal Operations Officer
 BC RCMP

From: Pecknold, Clayton PSSG:EX
Sent: Monday, October 30, 2017 6:06 PM
To: Jim GRESHAM
Subject: perhaps a discussion tomorrow

Scrum
 Eby scrum following PM QP
 30-Oct-2017 15:10

Quoted: Reporter, David Eby

Reporter: I'm just wondering, are you aware if there's a police investigation?

David Eby: There is definitely a police investigation ongoing. There was a series of arrests in Richmond that were announced. Nine were arrested. There was a press conference around that. I don't know whether any further investigations related to the federal arrests that were announced of three people were recently. There's definitely at least one ongoing process involving the RCMP.

Reporter: There's a lot of specific information about your colleagues. Is that [inaudible] given the fact that there is an active investigation?

Eby: I encourage my colleagues to participate in the issues of the day. I know that a number of my colleagues⁴ have been raising issues that they found FOI request materials that are publicly available. I encourage all members to engage in debate on it. I think that's a very important issue in the House and the FOI materials that are made available to journalists and the public are vetted for law enforcement to prevent harms that may arise from disclosing information, so they're redacted to make sure that information is not released.

Reporter: And this may be known to everybody but me because I wasn't paying attention, but I recall in the House that you were quite upset about the Liberals cancelling that [inaudible]

Eby: Yes.

Reporter: Have you reinstated that?

Eby: Yes, so in 2009, there was a report issued by the then-Integrated Investigation Team that said look, we've got organized crime in casinos, we've got a problem with unlicensed gaming houses in the Lower Mainland. You need us to do this work. And in response, the Liberals cancelled the funding to that team by about \$1m a year. I thought that was a very poor decision. I continue to think that was a very poor decision, because in 2016, the outcome of that was very obvious, which was unlicensed gambling facilities operating in the Lower Mainland, and an increase in [inaudible] which gave rise to money laundering in BC casinos. In 2016, the province then reinstated funding for the team. They said this is a new and different team, but really it's the same thing with additional powers that the 2009 team was asking for.

Reporter: So you don't see any big change in their attitude.

Eby: Well this is why I brought Mr German in, and [inaudible] that one of the groups that Mr German speaks with is the RCMP and other police forces such as the Vancouver police, to determine whether we're adequately resourcing investigations to make sure that we can detect this kind of activity.

Reporter: When do you expect to make a decision?

Eby: I've told Mr German, as soon as he has recommendations for me, he doesn't have to wait and tell us on the 2018 deadline. He should come immediately to make recommendations.

Reporter: And that hasn't happened.

Eby: Not yet. [sss, zpz, mjag, bclc]