THE PANEL’S PROCESS

• We met with many federal and provincial regulators, law enforcement, Industry Groups and Self Regulatory Organisations, (outlined in Appendix C of the report)

• Had an open portal for comments from the public (we received 213 submissions through this and more through email and letters)

• 200 questions on a questionnaire send to many pivotal organisations like the Federal and Provincial Ministries of Finance
Money laundering is a serious and contagious issue which needs to be addressed on an urgent basis not only in B.C. but Canada wide both federally and provincially.

We have made the best estimate of the inestimable problem of ML in Canada, B.C. and other regions of Canada, and finally in the B.C. real estate market. There are however, many cautions and caveats to these estimates.
4 MAIN THEMES

• Criminal Prosecution needs to be improved but other measures need to be taken. Electric Light is the most efficient policing tool

• Improve the set of tools available to all AML agencies, federal and provincial
WHY ML MATTERS:

• The easier it is to ML, the more criminals locate in our province
• The Drug Problem accelerates and we have more deaths
• More organised crime, more corruption
• Distorts the economy as legitimate business cannot compete with tax evading criminals.
• Undermines rule of law, trusted professions and institutions,
• Housing affordability decreased
• Distorts B.C. and Canada’s international reputation
• Using an economic and mathematical model (*the gravity model*, outlined in detail in Appendix G of our report) to estimate the extent of Money Laundering in Canada and BC in 2018:
  
  • *For Canada*, we estimate in 2018 $47 Billion
  • *For B.C.*, $ 7.4 Billion
  • *For Real Estate*, 5.3 billion (about 5% increase in prices) (details of methodology used detailed in Chapter 4)
REGULATORY REFORM IS A CRITICAL TOOL

• LOTA (Single most important measure for transparency)
• Create a Beneficial Ownership Registry for Companies
• Regulate all Money Services Businesses
• Give all financial and real estate regulators an Anti-Money Laundering mandate
• Consider the introduction of Unexplained Wealth Orders
• Government of B.C. and Minister of Finance to be congratulated on introducing this ground-breaking legislation

• One of the most important amendments that can be made in this area.

• Will be used as a model the world over.
29 RECOMMENDATIONS

• **Focus on five areas:**
  
  • Improving regulatory oversight in B.C. and Federally
  
  • Federal Anti-Money Laundering Legislation (PCMLTFA) and FINTRAC
  
  • Improved Data sharing and analysis with the creation of a Financial Investigation/Intelligence Unit
  
  • Investigation and Collaboration
  
  • Involvement of other Provinces
ML IS A CANADA WIDE ISSUE NOT SIMPLY B.C.

• ML is rightly and important and pressing public policy issue in B.C.

• However our estimates of ML in six regions of Canada in Appendix G at p.126 clearly shows that it affects all provinces not just those with unaffordable housing.

• This means that the Federal Government and Provinces need to work together if we are to make headway on this pressing issue