




Public Prosecution
Service of Canada

Service des poursuites
pénales du Canada

Public Prosecution Service of Canada

Annual Report 2012–2013

Canada



If you would like to know more about the Public Prosecution Service of Canada (PPSC), please refer to the following documents, both of which are available through our website at **www.ppsc-sppc.gc.ca**:

- The *Director of Public Prosecutions Act*
- The *Federal Prosecution Service Deskbook*

Public Prosecution Service of Canada Annual Report 2012–2013

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Public Prosecution
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Service des poursuites
pénales du Canada

Office of the Director
of Public Prosecutions

Bureau du directeur
des poursuites pénales

Ottawa, Canada
K1A 0H8

JUN 28 2013

The Honourable Robert Nicholson, P.C., Q.C., M.P.
Minister of Justice and Attorney General of Canada
House of Commons
Ottawa, Ontario K1A 0A6

Dear Attorney General:

Pursuant to section 16(1) of the *Director of Public Prosecutions Act*, I am pleased to present you with the 2012–2013 Annual Report of the Public Prosecution Service of Canada. The report covers the period from April 1, 2012 through March 31, 2013.

Yours sincerely,

Brian Saunders
Director of Public Prosecutions

Canada 

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Message from the Director of Public Prosecutions

I am pleased to present the *Annual Report 2012–2013*
of the Public Prosecution Service of Canada (PPSC).

The PPSC prosecutes cases under federal law and provides high-quality legal advice to investigative agencies. As an independent and accountable prosecuting authority, the PPSC provides its services in a manner that is fair, impartial, and objective.

Over the past year, the PPSC has demonstrated excellence in the criminal justice field. With a case-load of broad scope and complexity, PPSC staff have conducted many significant and high-profile files.

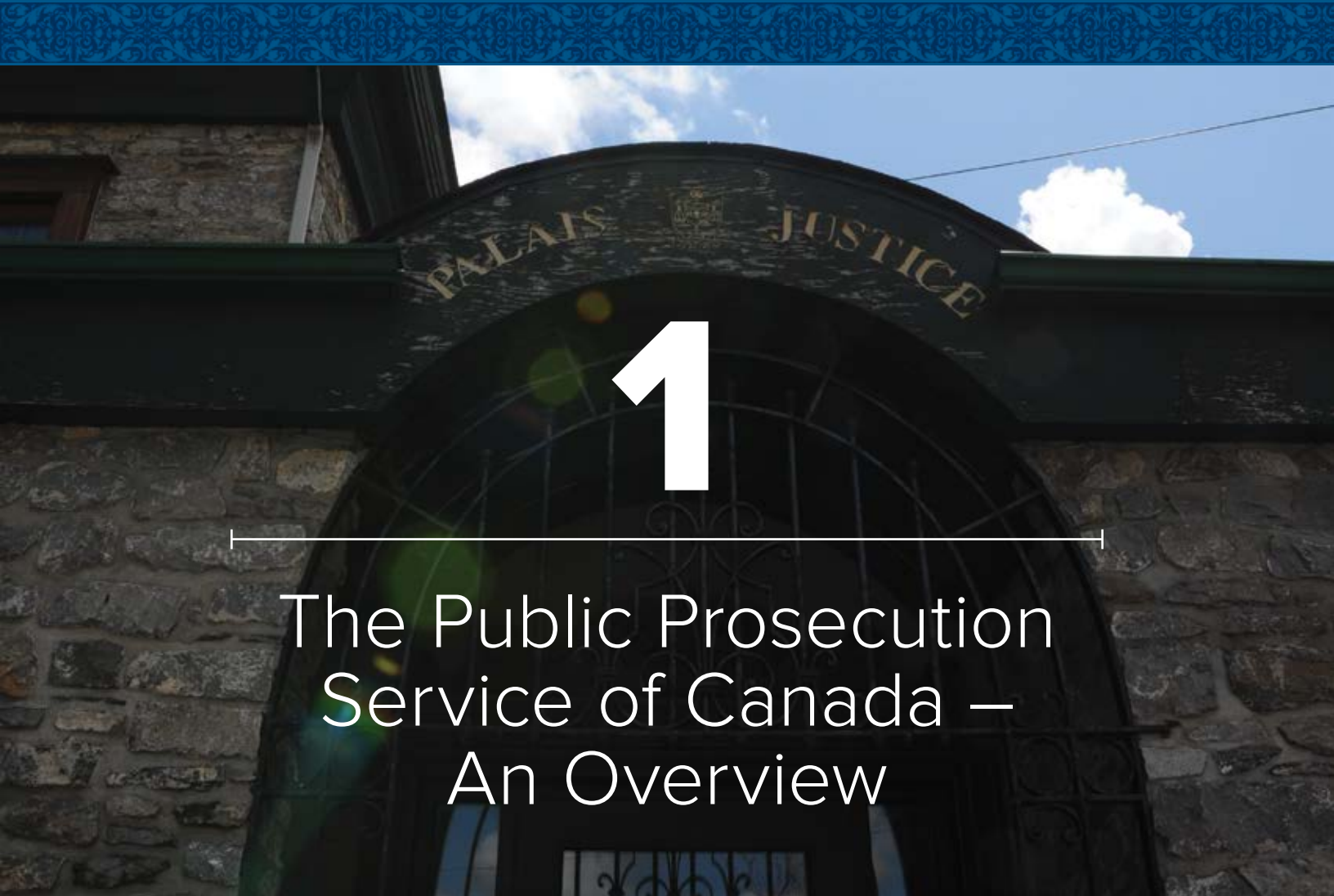
The PPSC Executive Council has set priorities for 2013–2014 that reflect the operational nature of the PPSC's mandate.

These priorities include the personal security of employees, ensuring staff are deployed effectively and have the resources they need, continuing to invest in training and development, and working more collaboratively with investigative agencies.

I would like to thank all PPSC staff for their continued hard work and dedication. They exemplify the PPSC's core values of respect, integrity, excellence, and leadership.



Brian Saunders
Director of Public Prosecutions



The Public Prosecution Service of Canada – An Overview

The Public Prosecution Service of Canada (PPSC) is an independent and accountable prosecuting authority whose main objective is to prosecute cases under federal jurisdiction in a manner that is free from any improper influence.

Mandate

The mandate of the PPSC is set out in the *Director of Public Prosecutions Act*. The Act empowers the Director of Public Prosecutions (DPP) to:

- initiate and conduct federal prosecutions;
- intervene in proceedings that raise a question of public interest that may affect the conduct of prosecutions or related investigations;
- issue guidelines to federal prosecutors;
- advise law enforcement agencies or investigative bodies on general matters relating to prosecutions and on particular investigations that may lead to prosecutions;
- communicate with the media and the public on all matters that involve the initiation and conduct of prosecutions;
- exercise the authority of the Attorney General of Canada in respect of private prosecutions; and
- exercise any other power or carry out any other duty or function assigned by the Attorney General of Canada that is compatible with the office of the Director.

For the purpose of carrying out these statutory responsibilities, the DPP is the Deputy Attorney General of Canada.

The *Director of Public Prosecutions Act* also empowers the DPP to:

- initiate and conduct prosecutions under the *Canada Elections Act*; and
- act, when requested by the Attorney General of Canada, in matters under the *Extradition Act* and the *Mutual Legal Assistance in Criminal Matters Act*.

The DPP has the rank and status of a deputy head of a department, and in this capacity is responsible for the management of the PPSC as a distinct governmental organization.

With the exception of *Canada Elections Act* matters, the Attorney General of Canada can issue a directive to the DPP about a prosecution or even assume conduct of a prosecution, but must do so in writing and a notice must be published in the *Canada Gazette*. In turn, the DPP must inform the Attorney General of any prosecution or planned intervention that may raise important questions of general interest. Similarly, the Attorney General can assign additional responsibilities to the DPP, provided the assignment is in writing and published in the *Canada Gazette*.

In compliance with the *Director of Public Prosecutions Act*, *Canada Elections Act* matters are excluded from this report.

Mission and Values

Mission

The mission of the PPSC is to serve the public by:

- prosecuting cases with diligence, in a manner that is fair, impartial, and objective;
- seeking to protect the rights of individuals and to uphold the rule of law; and
- working within the criminal justice system to help make Canada a safe and just society.

Values

In carrying out its mandate, the PPSC is guided by key values:

- **Respect** forms the basis of relationships with fellow employees and with the public.
- **Integrity** motivates employees to apply the highest ethical and professional standards.
- **Excellence** inspires employees in all aspects of their work.
- **Leadership** characterizes the organization's efforts to improve the quality of criminal justice throughout Canada.



Assignments and Directives

In 2012–2013, no assignments or directives were issued by the Attorney General of Canada to the DPP, nor did the Attorney General assume conduct of any prosecutions.

Roles and Responsibilities

The PPSC prosecutes charges of violating federal law laid following an investigation by a law enforcement agency. The PPSC is not an investigative agency and does not conduct investigations. The separation of law enforcement from the prosecution function is a well-established principle of the Canadian criminal justice system. However, cooperation between investigators and prosecutors is essential, particularly in the context of large and complex cases. Certain investigative tools, such as an application for a wiretap authorization, are only obtained on application to the court by a prosecutor. As a result, the PPSC often provides legal advice and assistance to law enforcement officials at the investigative stage.

In all provinces and territories except Quebec and New Brunswick, the PPSC is responsible for prosecuting all drug offences under the *Controlled Drugs and Substances Act* (CDSA), regardless of which police agency investigates the alleged offences. In Quebec and New Brunswick, the PPSC prosecutes only drug offences investigated by the Royal Canadian Mounted Police (RCMP).

In all provinces and territories, the PPSC prosecutes charges under federal statutes such as the *Income Tax Act*, the *Fisheries Act*, the *Excise Act*, the *Customs Act*, the *Canadian Environmental Protection Act*, the *Canada Shipping Act*, and the *Competition Act*, as well as conspiracies and attempts to violate these statutes. In total, over 250 federal statutes contain offences that fall under the PPSC's jurisdiction to prosecute, and the PPSC regularly prosecutes offences under approximately 40 of those statutes.

The PPSC is responsible for prosecuting all *Criminal Code* offences in the territories. In the provinces, the PPSC has jurisdiction to prosecute a limited number of *Criminal Code* offences, including those related to terrorism, criminal organizations, money laundering, proceeds of crime, and fraud. Under arrangements with the provinces, the PPSC may also prosecute *Criminal Code* offences that are otherwise within a provincial jurisdiction when the accused also faces charges within federal jurisdiction.

Role of the Prosecutor

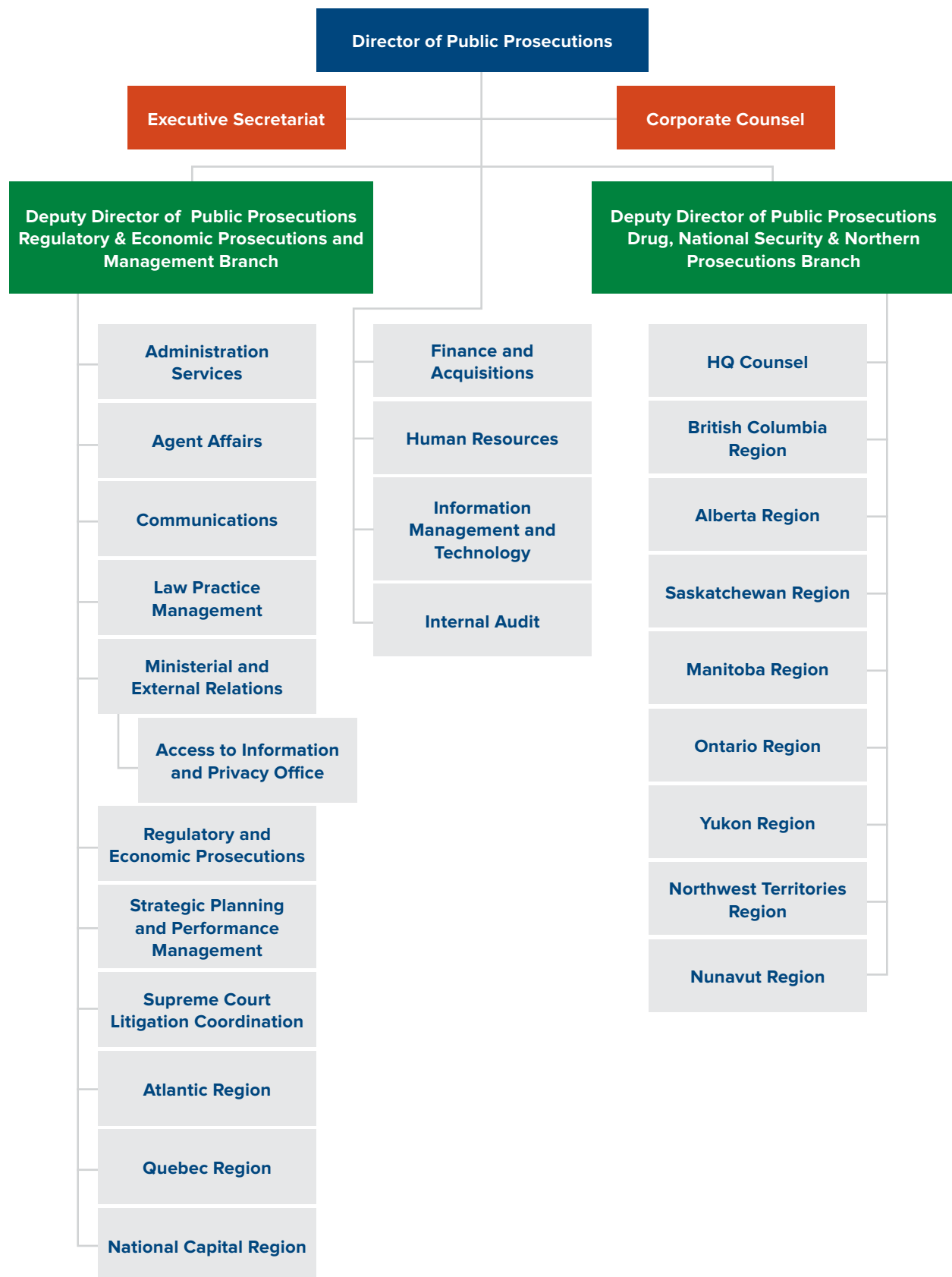
Prosecutors play a key role in the Canadian criminal justice system. This role is quasi-judicial in nature, and has been described by the Supreme Court of Canada as a “Minister of Justice” responsibility, imposing on prosecutors the duty to be objective, independent, and dispassionate. They must see that all cases deserving of prosecution are brought to trial and prosecuted with competence, diligence, and fairness. Prosecutors must be of integrity, above all suspicion, and must exercise the considerable discretion bestowed on them fairly, in good faith, and without any consideration of the political implications of their decisions. Their role is not to win convictions at any cost, but to put before the court all available, relevant, and admissible evidence necessary to enable the court to determine the guilt or innocence of an accused.

About the Organization

As of March 31, 2013, the PPSC had 1,024 employees, 529 of whom were lawyers. In addition to staff prosecutors, the PPSC retained the services of some 205 private-sector law firms, or 450 individually appointed lawyers, as standing agents.

PPSC Headquarters is located in Ottawa, and the organization maintains a network of regional and local offices across Canada. Some PPSC staff prosecutors are also co-located with integrated enforcement teams across Canada.

Organizational Structure



Jeffrey Paul Delisle

Jeffrey Paul Delisle is the first person in Canada to be prosecuted under the *Security of Information Act* (SOIA). He pleaded guilty in October 2012 to two charges under the SOIA for having transmitted and attempting to transmit protected information to a foreign entity, as well as a charge of breach of trust under the *Criminal Code*. Between 2007 and 2012, Mr. Delisle sold secret information that he had access to as a naval intelligence officer to the Russian military intelligence service. In March 2013, he was sentenced to 20 years' imprisonment. He was also fined \$111,817, an amount equal to what the Russians paid him for his espionage.

Partners

Department of Justice Canada

The PPSC maintains a close and cooperative working relationship with the Department of Justice Canada. PPSC prosecutors consult Justice counsel in areas such as human rights law, constitutional law, Aboriginal law, and public law.

The PPSC relied on the Department of Justice for a number of internal transactional administrative services. In Canada's Northern territories, the PPSC provided such services to the Department of Justice. Memoranda of understanding have been developed to govern the corporate and legal services provided by the Department of Justice and the PPSC to each other and on each other's behalf.

Investigative Agencies

The PPSC provides advice to law enforcement agencies during their investigations to ensure they are handled in a way that permits a prosecution on the merits of the case. The early and continual involvement of prosecutors during major investigations and in the implementation of national enforcement programs allows the police and other investigative agencies to benefit from legal advice as they decide how best to enforce the law.

PPSC counsel provide advice on such issues as the disclosure of evidence required by law, and assist in obtaining key evidence-gathering orders, such as wiretap authorizations and orders to produce evidence.

Provinces and Territories

The federal and provincial governments share jurisdiction over prosecutions. This shared jurisdiction means cooperation and coordination are essential to the effective enforcement of the law. The PPSC and provincial prosecution services have standing and ad hoc arrangements that allow the prosecution service prosecuting an offence within its jurisdiction to also prosecute related "minor" offences that would normally fall under the jurisdiction of the other prosecution service. For example, the PPSC may prosecute a *Criminal Code* offence that is within provincial jurisdiction with the consent and on behalf of a provincial attorney general where it is related to a more serious federal charge. Similarly, provincial prosecution services may prosecute federal offences when they come about in relation to a more serious offence under the *Criminal Code*. The delegation relates only to the conduct of the prosecution. The jurisdiction delegating the conduct of the prosecution retains ultimate control over the prosecution and over major decisions regarding the case.

In the territories, all *Criminal Code* prosecutions are conducted by the PPSC. The PPSC also has arrangements with the territories to conduct certain territorial prosecutions.

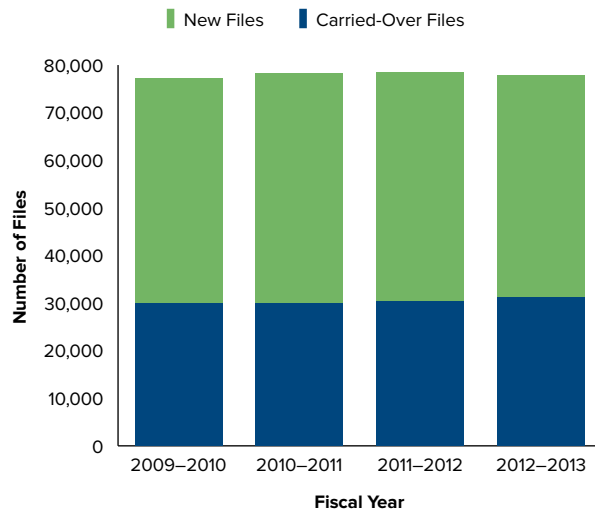


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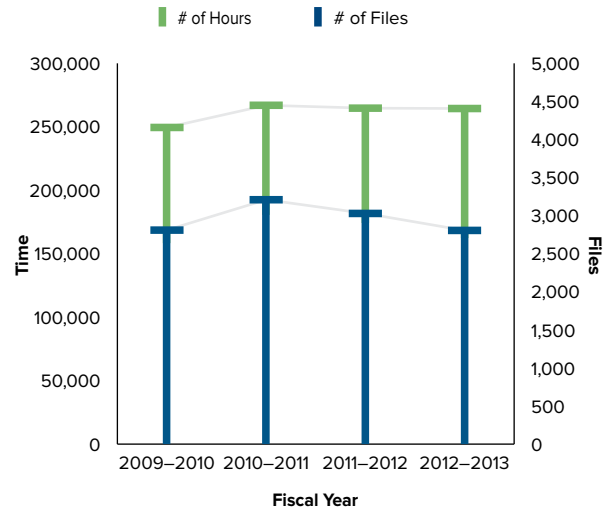
The Year in Review

In 2012–2013, the PPSC worked on 77,926 files. This figure includes 46,685 files opened during the year, as well as 31,241 carried over from previous years. A file typically consists of an information or an indictment and may include more than one charge, involve more than one accused, and include charges under multiple statutes.

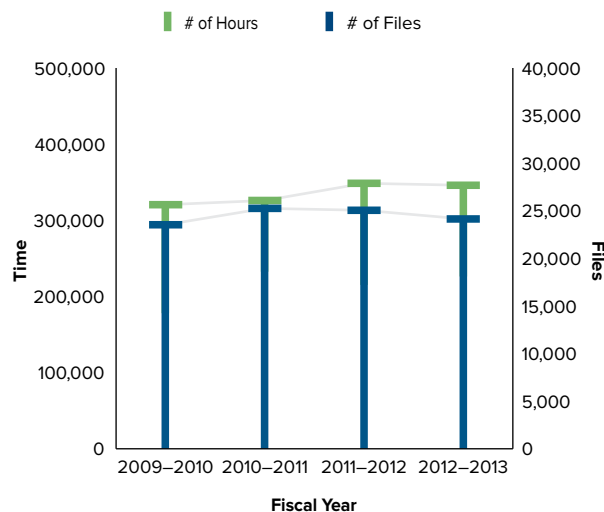
NEW FILES AND CARRIED-OVER FILES OVER THE PAST FOUR YEARS



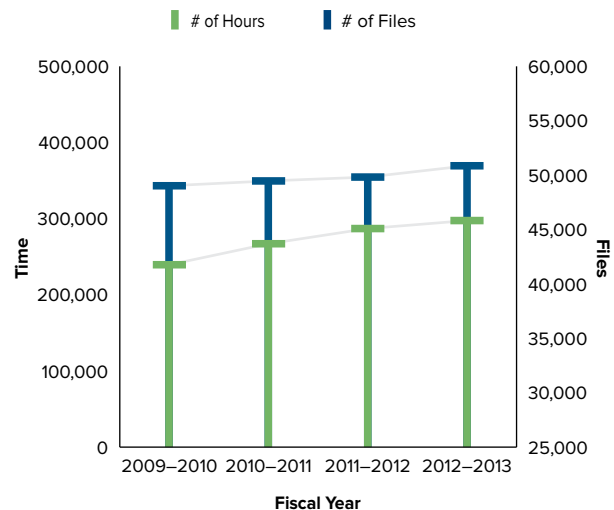
“HIGH” AND “MEGA” COMPLEXITY FILES OVER THE PAST FOUR YEARS – NUMBER OF FILES AND TIME SPENT



MODERATE COMPLEXITY FILES OVER THE PAST FOUR YEARS – NUMBER OF FILES AND TIME SPENT



LOW COMPLEXITY FILES OVER THE PAST FOUR YEARS – NUMBER OF FILES AND TIME SPENT



In recent years, the number of files handled by the PPSC has levelled off. However, the amount of prosecutors' time spent on highly complex files has increased over the same period. PPSC prosecutors are spending a large amount of time on a smaller number of complex and time-consuming files. Such files include terrorism prosecutions, organized crime prosecutions, and regulatory prosecutions.

Note: The PPSC has updated the methodology used to count files in various categories, to more accurately reflect the organization's workload. Some numbers that appeared in previous annual reports have been adjusted as a result of this revised methodology.

PPSC counsel prosecute offences in four broad areas:

- drug offences throughout the country;
- crimes that threaten national and international security, such as terrorism and war crimes;
- all federal offences in the three Northern territories, including *Criminal Code* offences; and
- economic crimes and regulatory offences under federal legislation.

Drug Prosecutions

Drug prosecution files represent a significant proportion of the PPSC's total caseload. In 2012–2013, the PPSC handled 58,793 prosecution files related to offences under the CDSA. Of those, 33,647 prosecutions were new and 25,146 were carried over from previous years. These prosecutions vary greatly in complexity; many are simple cases of possession of small quantities of marihuana, while others involve complex schemes to import large quantities of cocaine or to manufacture methamphetamine for domestic use or for export.

PPSC prosecutors are often engaged early in an investigation to ensure that investigators receive timely advice on the techniques they are using and that the evidence is gathered in a manner that complies with the *Canadian Charter of Rights and Freedoms* and the laws of evidence.

Cases targeting criminal organizations have increased in recent years, largely as a result of police forces focusing more of their efforts on investigations of such organizations. Trafficking in drugs is one of the key activities of most organized crime groups. In 2012–2013, the PPSC handled 459 serious drug offence-related files that included criminal organization charges under the *Criminal Code*. This represents a 5.3% increase over the 436 such files handled in 2011–2012.

High-complexity drug cases require a significant amount of PPSC resources. These prosecutions can involve pre-trial litigation of such issues as the legality of the investigation, the constitutionality

of the legislation or of the investigation, disclosure, allegations of abuse of process, and unreasonable delay. While high-complexity files represented only 2.04% of staff counsel's drug caseload in 2012–2013, they took up 37.4% of the time dedicated to drug prosecutions. This represents a decrease in demand upon prosecutors' time of 1.1% from 2011–2012 but an increase of 9% since 2007–2008 (the PPSC's first full year of operation after its creation in December 2006).

Drug offences are frequently revenue-generating crimes, and thus continue to represent the majority of offences prosecuted by the PPSC that lead to the forfeiture of proceeds of crime and of the property used to commit the crime ("offence-related property"). In 2012–2013, the PPSC handled 2,291 cases involving either proceeds of crime or offence-related property (1,425 were carried over from previous years, and 866 were new). The proceeds or property at issue ranged from the money used to buy drugs from an undercover officer to real estate bought with proceeds of crime or used to produce drugs. A total of \$38.8 million of proceeds of crime and offence-related property was forfeited during 2012–2013.

Addiction-motivated crime presents particular challenges. To try to address the addiction and to reduce the revolving door of crime committed to feed it, there are six federally funded Drug Treatment Courts in Canada: in Vancouver, Edmonton, Regina, Winnipeg, Toronto, and Ottawa. As well, there are a number of community-funded Drug Treatment Courts, such as those found in Calgary, Kitchener, and Durham. These courts focus on the supervised treatment of an offender. Prosecutors work with judges, defence counsel, treatment providers, and others to cooperatively but accountably deal with the issues raised by the conduct of offenders diverted to these specialized courts. PPSC prosecutors currently staff all of Canada's federally funded Drug Treatment Courts with the exception of the Regina Drug Treatment Court, which is staffed by prosecutors from the Ministry of the Attorney General of Saskatchewan. A PPSC prosecutor also works alongside the provincial prosecutor in the Calgary Drug Treatment Court.

Mohammad Momin Khawaja

Mohammad Momin Khawaja was convicted in 2008 of several *Criminal Code* terrorism-related offences for building detonators in his Ottawa basement for a United Kingdom terror group. As part of his defence, Mr. Khawaja challenged the constitutionality of the terrorism offence, contending that the definition of “terrorist activity” in the *Criminal Code* included a motive component that infringed upon freedom of expression, freedom of religion, and freedom of association under the *Charter of Rights and Freedoms*. He was unsuccessful at trial and eventually convicted on the evidence. He asserted the same constitutional argument on appeal. On December 14, 2012, the Supreme Court of Canada dismissed his appeal, and upheld the constitutionality of these terrorism provisions. The life sentence imposed by the Court of Appeal was also upheld.

National Security

Anti-Terrorism

The PPSC has concurrent jurisdiction with provincial prosecution services to prosecute terrorism offences. To date, the PPSC has concluded proceedings in four prosecutions under the anti-terrorism provisions of the *Criminal Code*: *R. v. Namouh* in Quebec, *R. v. Khawaja* in Ontario, charges stemming from Project Osage, also in Ontario, and *R. v. Thambithurai* in British Columbia. Convictions were entered in all of these proceedings.

In December 2012, the Supreme Court of Canada upheld the convictions and life sentence for Mohammad Momin Khawaja. In February 2013, the Supreme Court of Canada declined to hear appeals over sentencing considerations in the Project Osage-related cases of *R. v. Amara*, *R. v. Khalid*, and *R. v. Gaya*. Their sentences of life imprisonment, 20 years, and 18 years, respectively, were therefore upheld.

As of March 31, 2013, three additional terrorism-related prosecutions were ongoing. In August 2010, charges were laid against three individuals in Ottawa stemming from Project Samossa. In March 2011, charges were laid against Mohamed Hassan Hersi in Brampton, and in July 2012, terrorism charges were laid against Mouna Diab in Montreal. All matters are proceeding through the courts.

Crimes Against Humanity and War Crimes

The PPSC is responsible for prosecuting offences under the *Crimes Against Humanity and War Crimes Act*.

The PPSC’s first prosecution under the Act resulted in the conviction of Désiré Munyaneza for genocide, crimes against humanity, and war crimes in relation to events that occurred in Rwanda in 1994. Mr. Munyaneza received a life sentence in 2009. An appeal to the Quebec Court of Appeal was heard in April 2013 and at the time of publication, the judgment was under reserve.

A second case is ongoing. *R. v. Mungwarere* concerns a Rwandan national who was residing in Windsor, Ontario in 2009 and was charged with genocide and crimes against humanity. The trial was completed in March 2013, and the decision of the trial judge is expected in the coming months.

Security of Information

The prosecution of Jeffrey Paul Delisle for communicating and attempting to communicate safeguarded information, contrary to the *Security of Information Act*, and for breach of trust under the *Criminal Code* resulted in a guilty plea. In October 2012, Mr. Delisle was sentenced to 20 years in prison less time served.

Prosecutions in Canada's North

In Canada's three Northern territories, the PPSC prosecutes all *Criminal Code* offences, in addition to offences under other federal legislation and under territorial legislation. In 2012–2013, the PPSC was responsible for 9,243 files in the territories, of which 8,559 involved *Criminal Code* offences. Of those files, 7,311 were new, and 1,932 were carried over from previous years. Northern prosecutions included 504 drug offences, 214 regulatory offences, and 254 territorial offences. Some files involved multiple offences. Of the *Criminal Code* files, 53 were homicide or attempted murder files.

Regulatory and Economic Prosecutions

The PPSC provides prosecution services related to legislation aimed at protecting the environment and the health, safety, economic security, and general welfare of the public. Some offences in this category require evidence of *mens rea* (criminal intent), while others are strict liability offences.

Outcomes in these cases may generate large fines and penalties, and can result in remedial and preventative measures that enhance public health and safety, improve the management and protection of environmental resources, or discourage financial and economic malfeasance. In 2012–2013, the PPSC handled 8,700 files involving regulatory and economic offences, of which 3,812 were carried over from previous years. Approximately \$18 million in fines and surcharges were imposed by the courts.

Regulatory and economic prosecutions can be complex and resource-intensive. Because of the nature of these cases, specialized teams of prosecutors have been established in most regional offices.

Bankruptcy-Related Offences

The PPSC prosecutes offences under the *Bankruptcy and Insolvency Act*, as well as fraud offences related to, and uncovered during, the bankruptcy and insolvency process. In 2012–2013, the PPSC handled 125 such files, 73 of which were carried over from previous years.

Information uncovered during the bankruptcy proceedings of Ottawa-based ICI Construction Management led to charges under the *Bankruptcy and Insolvency Act* and the *Criminal Code* against Roland Eid, the principal of ICI, in relation to his alleged activities during the years 2005 to 2009. Some 146 ICI creditors claimed aggregate losses of \$10.7 million. The prosecution is ongoing.

Census Offences

In 2012–2013, the PPSC handled 53 files related to offences under the *Statistics Act*, 24 of which were carried over from previous years. These files relate to individuals who refused to answer questions on the census form for the 2011 Census of Population and the 2006 Census of Population.

In 2006, Sandra Finley refused to answer questions on the 2006 Census of Population long-form questionnaire. She was charged under the *Statistics Act* and was found guilty, after a trial. Ms. Finley unsuccessfully challenged the constitutional validity of the offence provision of the *Statistics Act*. Her appeal to the Saskatchewan Court of Appeal was heard in 2012–2013 and the finding of guilt was upheld.

Citizenship and Immigration Offences

The PPSC has carriage of prosecutions related to offences under the *Immigration and Refugee Protection Act* and the *Citizenship Act*. In 2012–2013, PPSC prosecutors worked on 481 files dealing with such offences. The PPSC also prosecutes related offences under the *Criminal Code*.



In *R. v. Farhan*, Faisal Farhan was charged with offences under the *Criminal Code* relating to the possession and use of fraudulent passports as part of his scheme to kidnap his children from their mother in Kuwait, who had legal custody, and to bring them to Canada. He pleaded guilty, and was sentenced to two years in prison and one year of probation.

Competition Law Offences

The PPSC handles prosecutions under the *Competition Act* as well as the *Consumer Packaging and Labelling Act*, the *Textile Labelling Act*, and the *Precious Metals Marking Act*. The PPSC also provides legal advice to the Competition Bureau on investigative files that may lead to prosecutions. In 2012–2013, the PPSC handled 105 files dealing with competition law.

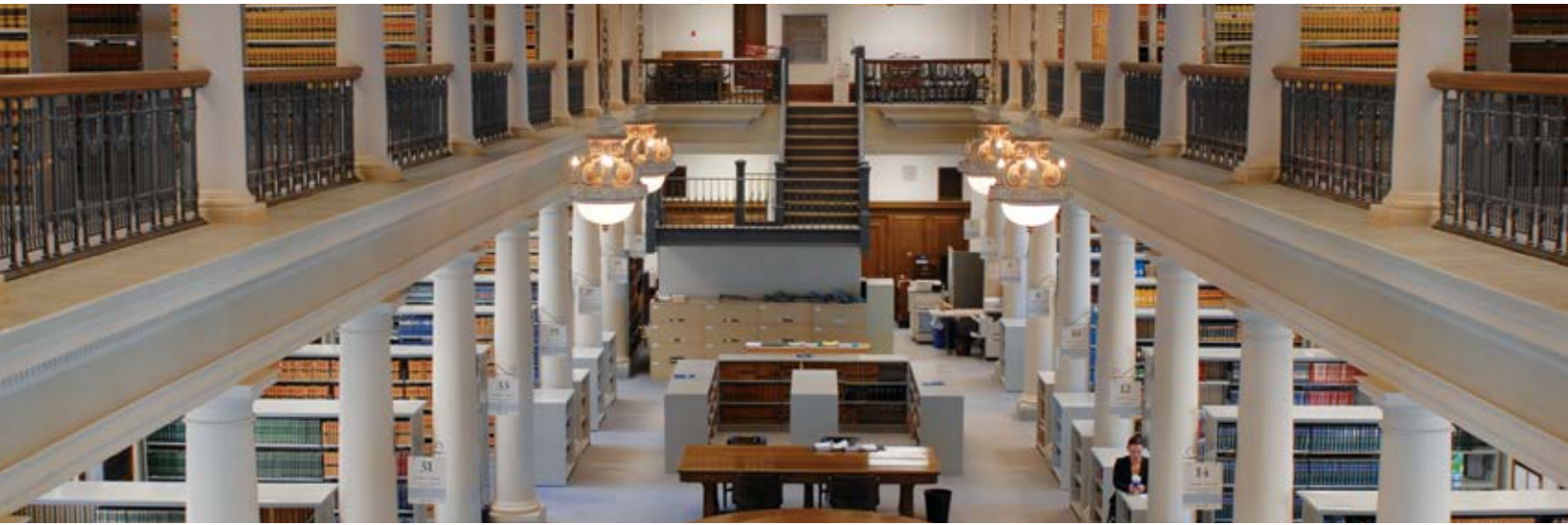
In Quebec, Operation Octane was a major investigation into anti-competitive price fixing among gasoline retailers. In recent years, it has led to charges against more than 50 individuals and corporations. In 2012–2013, three individuals were found guilty after a trial, and three others pleaded guilty and were required to pay fines.

In British Columbia, Maxzone Auto Parts was found guilty and fined \$1.5 million for having participated in a conspiracy to fix the price of replacement headlights.

Corruption of Foreign Public Officials

In 2012–2013, the PPSC continued to provide pre-charge advice to the two full-time RCMP units dedicated to the investigation of alleged offences under the *Corruption of Foreign Public Officials Act* (CFPOA). These units have reported a combined caseload of 35 active investigations in 2012–2013.

PPSC prosecutors in Ottawa conducted the first prosecution of an individual under the CFPOA. The case involves allegations that Nazir Karigar paid bribes to Indian government officials in order to obtain favourable treatment in the awarding of a contract for security software to Air India. The trial commenced in the fall of 2012 with the court hearing evidence for a total of three weeks. Closing arguments were heard on March 27, 2013 with a verdict expected later in the year.



PPSC prosecutors from Montreal and Toronto are working together to conduct the prosecutions of two individuals, Ramesh Shah and Mohammad Ismail, charged with violations of the CFPOA in relation to a bridge project in Bangladesh. Preliminary inquiries have been completed, and the accused have been ordered to stand trial. Trial dates have not yet been set.

Environmental and Fisheries Offences

The PPSC prosecutes offences under statutes aimed at managing fisheries and other environmental resources and at protecting the natural environment, wildlife, and public health, such as the *Fisheries Act*, the *Canadian Environmental Protection Act, 1999*, the *Migratory Birds Convention Act, 1994*, and the *Canada National Parks Act*. In 2012–2013, the PPSC handled 2,665 files dealing with offences under the *Fisheries Act* (838 carried over from previous years), and 181 files related to other environmental legislation (79 carried over from previous years).

In Ontario, Bruce Power and Bruce Power Ltd. Partnership pleaded guilty to one count of failing to conduct a yearly leak test on a component of a refrigeration system, which is a contravention of the *Federal Halocarbon Regulations, 2003*, and consequently, an offence under the *Canadian Environmental Protection Act, 1999*. Bruce Power was sentenced to pay a fine and other penalties totalling \$100,000.

In Alberta, Shell Canada Ltd. pleaded guilty to an offence of depositing a deleterious substance in fish-bearing waters. The charge came about after a spill of 12,500 litres of a chemical solution into the Peace River. The company paid a fine of \$22,500 and paid a further \$202,500 into the federal Environmental Damages Fund. The moneys paid into the Fund are to be used to promote the conservation and protection of fish and fish habitat in the Peace River, one of the largest rivers in Alberta.

In British Columbia, Carl Eric Peterson was found guilty in September 2012 of offences under the *Species at Risk Act* and the *Fisheries Act* for harassing and disturbing killer whales. The charges arose from an incident in August 2010, when fisheries officers on patrol observed a recreational power boat repeatedly accelerating towards two killer whales. The boat eventually powered up behind the whales at a distance of 15 to 25 metres from them, contrary to established whale watching guidelines in Canada, which state that a minimum distance of 100 metres should be maintained between vessels and whales. Mr. Peterson was fined \$7,500 and ordered to write an article for the local newspaper warning others not to harass whales.

Food Protection Offences

The PPSC prosecutes cases under federal statutes such as the *Food and Drugs Act*, the *Meat Inspection Act*, the *Health of Animals Act*, and the *Plant Protection*

Act to ensure compliance with the food safety inspection and process regimes and the humane treatment of domestic animals.

In New Brunswick, after pleading guilty to mistreating poultry during transport, Nadeau Poultry Farm Ltd. was fined \$21,000 for offences under the *Health of Animals Act*.

In an ongoing matter, the PPSC is prosecuting Richardson International Limited (RIL), a commodities trading company based in Winnipeg, on charges under the *Plant Protection Act*. The charges relate to shipments of soybeans worth US\$30.6 million and were laid after a formal complaint was made to Canada by the Russian Federation.

Human Health and Medical Offences

In 2012–2013, the PPSC undertook the first-ever prosecution under the *Human Pathogens and Toxins Act* following the conclusion of Project Sentimental, an extensive RCMP investigation into the activities of two former Canadian Food Inspection Agency employees. These individuals, one of whom is currently before Canadian courts, face five charges under the *Human Pathogens and Toxins Act*, and other federal charges, relating to alleged illicit activity they undertook in respect of a human pathogen.

Another first for the PPSC in 2012–2013 was the prosecution of charges laid by the RCMP against a fertility doctor under the *Assisted Human*

Reproduction Act. The charges relate to the alleged purchase of ova, payments to surrogate mothers, and acceptance of consideration for arranging for the services of surrogate mothers.

Integrated Market Enforcement Teams

PPSC counsel assigned to Integrated Market Enforcement Teams (IMET) provide legal advice to RCMP agents and other investigators who investigate suspected financial market fraud. In 2012–2013, the PPSC worked on 69 IMET-related files, 39 of which were carried over from previous years and 30 of which were new. IMET units are located in Vancouver, Calgary, Toronto, and Montreal.

In addition to supporting IMETs, the PPSC has concurrent jurisdiction to prosecute fraud charges under the *Criminal Code*.

Intellectual Property Offences

The PPSC prosecutes offences under the *Copyright Act*, as well as offences related to intellectual property under the *Criminal Code* and other federal statutes.

In *R. v. Craddock*, Debbie Craddock was convicted of offences under the *Copyright Act*, the *Criminal Code*, and the *Customs Act* for the importation from





China and the sale in Canada of counterfeit jewellery from 2004 to 2009. She was sentenced to a total of 34 months and 12 days in prison.

In *R. v. Strowbridge*, Donald Strowbridge was convicted of various *Copyright Act* and *Criminal Code* offences for selling counterfeit goods, including hair styling equipment. He was sentenced to 15 months in jail followed by three years of probation.

Revenue Offences

The PPSC prosecutes offences under all statutes administered by the Canada Revenue Agency (CRA), notably the *Income Tax Act*. Specialized PPSC prosecutors provide advice during the investigative stage, conduct prosecutions throughout Canada, and provide training to investigators. In 2012–2013, 464 prosecution files were concluded. A total of \$3.5 million in fines was imposed by the courts during this period.

The PPSC is continuing to handle prosecutions arising from a national tax avoidance scheme developed by Mr. Russell Porisky. Found guilty by the Supreme Court of British Columbia of tax evasion and counselling in 2012, Mr. Porisky appealed his conviction and his sentence of four and a half years' imprisonment. Mr. Porisky conducted his activities under the business name "Paradigm Education Group". He gave seminars and sold material advising others on how

to structure their affairs as a "natural person" so as to avoid paying income tax. The British Columbia Court of Appeal has not yet issued a decision in the matter.

In 2012–2013, some of Mr. Porisky's followers were convicted. Among others, Ms. Tania Kovaluk and Mr. Lee Williams of Ottawa were sentenced for not having declared their income and for counselling others to commit fraud. Ms. Kovaluk was sentenced to two years and five months' imprisonment and a fine of \$887,328, and Mr. Williams was sentenced to five years' imprisonment and a fine of \$56,756. Clarke and Mary Margaret Webster both pleaded guilty to tax evasion in January 2013, and were fined \$264,811 and \$75,596, respectively. In addition, a Conditional Sentence Order (CSO) was entered for each. Mr. Webster's CSO is for the term of one year, with the first six months being served under house arrest and the remaining six months under curfew. Mrs. Webster's CSO is for the term of six months, with the first three months being served under house arrest and the remaining three months under curfew.

Operation H-Telex involved a five-month RCMP investigation into a cigarette smuggling group in Dartmouth, Nova Scotia. Over the course of the investigation, police determined that members of the group were making regular trips to reserves in the Montreal area to pick up contraband cigarettes and transport them to a storage facility in Dartmouth.

Police eventually arrested six people and seized approximately 100 cases of contraband cigarettes. The various accused received sentences under the *Excise Act, 2001* ranging from fines of over \$100,000 and conditional jail sentences of up to nine months.

In *R. v. Hamade*, the PPSC is appealing the 12-month conditional sentence imposed against Fatme Hamade following her conviction after trial in Ottawa under the *Excise Act, 2001*. Ms. Hamade was found by the trial judge to have handled 1,000 boxes of contraband cigarettes (i.e. 10 million cigarettes) over the course of six months. The trial judge imposed a three-month curfew (requiring her to stay at home between 9 p.m. and 8 a.m.), but no house arrest. Her co-accused, Masoud Ahmadi, who also pleaded guilty, received a seven-and-a-half-month jail term.

Workplace and Transportation Safety

The PPSC prosecutes *Canada Labour Code* offences following investigations conducted by health and safety officers of Human Resources and Skills Development Canada regarding the protection of workers employed in the operation of federal works, undertakings, and businesses. It also prosecutes matters that ensure the safety of Canada's transportation industry.

A number of cases prosecuted by the PPSC in 2012–2013 involved workplace deaths and serious injury.

In September 2011, a worker died in an accident in a grain elevator in Rosetown, Saskatchewan. Charges under the *Canada Labour Code* were laid against the company, Viterro Inc., in the fall of 2012.

In August 2012, after pleading guilty, the RCMP was fined \$100,000 in relation to a workplace incident that seriously injured an officer in Alberta.

Programs

Agent Affairs

The PPSC retains the services of private-sector lawyers as agents to conduct prosecutions where it does not have a regional office or where it is impractical or otherwise not cost-effective for staff



counsel to handle cases. In 2012–2013, 41,741 files of the total PPSC caseload were handled by agents. Of these, 22,501 were new files and 19,240 were carried over from previous years.

The Agent Affairs Program (AAP) looks after the management of agents. Its objective is to ensure that agents provide quality legal services at a reasonable cost. Each of the PPSC's regional offices (with the exception of the Northern regional offices) has an Agent Supervision Unit to handle the day-to-day supervision of agents and to support them in their work.

As part of its management control framework, the AAP uses modern audit techniques, such as risk management, for agent file review. Benchmarks have been developed for a number of case profiles under federal statutes such as the CDSA, the *Fisheries Act*, and the *Income Tax Act*.

In 2008–2009, the PPSC introduced a regime of fixed-term agreements for agents, replacing indeterminate appointments. Under this regime, any law firm or lawyer interested in becoming an agent can apply for a five-year term when an opening occurs. The selection of agents is done pursuant to a competitive process.

The PPSC's transition to fixed-term agreements is progressing in accordance with a five-year plan which ends in fiscal year 2013–2014. In 2012–2013, 30 fixed-term agreements were entered into with agents — a combination of incumbents as well

as new private-sector lawyers and firms. As of March 31, 2013, the PPSC had retained the services of 450 agents from 205 law firms.

Crown Witness Coordinators

The PPSC employs 16 Crown Witness Coordinators (CWC) in the three Northern territories. The role of CWCs is to help victims, witnesses, and complainants understand the court process, their rights and responsibilities, and the various roles of the court participants. They provide court updates, accompany witnesses to court, provide support during and after testimony, and assist with trial preparation. CWCs are liaisons between Crown counsel and victims and witnesses, ensuring their concerns are considered during the criminal justice process. Their work includes identifying victims' support needs, providing translation support during meetings with Crown counsel, and ensuring victims are referred to appropriate support agencies to address their needs.

The CWC program is coordinated by a Crown Witness Program Coordinator (CWPC). The CWPC liaises with CWCs in the territories, Crown prosecutors, senior management, and officials from the Policy Centre for Victim Issues at the Department of Justice Canada to develop an integrated assessment of the issues and concerns regarding court-based services provided to victims and witnesses of crime with the focus on developing an improved CWC program.

In February 2013, 13 CWCs and the CWPC participated in an annual training program in Toronto. The focus of the program was on improving the CWCs' skills and the PPSC's overall services and support to victims of violent crime, especially when dealing with the unique circumstances of domestic violence cases. Support for victims of domestic violence is essential to ensure that they understand the judicial process, to avoid re-victimization, and to maximize the prospect that they will participate in the judicial process as witnesses. The training included a one-day group meeting to address the resources needed to support such victims, and a two-day certification program focused on increasing the CWCs' ability to provide effective support to victims throughout the criminal justice process. This training strengthened

CWCs' ability to afford effective support to victims, witnesses, and prosecutors, while balancing their own self-care in a challenging work environment.

Fine Recovery

The PPSC is responsible for administering the National Fine Recovery Program under the terms of an assignment issued by the Attorney General of Canada in 2007. The Program recovers outstanding court-ordered fines under federal statutes.

The National Fine Recovery Program was affected by the federal government's 2010–2011 strategic review exercise. The PPSC decided to entrust fine recovery to either a private collection agency or to the provinces. A national team will administer the program and will be responsible for coordinating efforts with partner organizations.

In 2012–2013, the program recovered a total of almost \$7.3 million during the year, and 2,369 new files were opened. These new files represent \$21.7 million in fines, bringing the total of outstanding fines to almost \$168 million.

Legal Committees

The PPSC's national legal committees provide advice and guidance on matters of law and policy for all regions of Canada. This national perspective helps to ensure that federal prosecutors apply the law consistently throughout the country and that Canadians everywhere are treated equitably.

National Litigation Committee and Supreme Court of Canada Litigation

The role of the National Litigation Committee is to advise the DPP on questions of law in the context of litigation, especially in the Supreme Court of Canada.

This involves making recommendations to the DPP with respect to the approval of applications for leave to appeal and factums in the Supreme Court, the filing of interventions in the DPP's name in any Canadian court and, on occasion, the provision of legal advice on other litigation issues.

Griffiths Energy International

Griffiths Energy International Inc. (GEI) is a privately held oil and gas exploration company headquartered in Calgary. In November 2011, GEI voluntarily disclosed that former senior officers had made payments to the Chadian Ambassador to Canada and his wife, to gain an advantage in securing oil exploration rights in the Republic of Chad. The offering of such payments is a violation of the *Corruption of Foreign Public Officials Act* (CFPOA). This was the first prosecution under the CFPOA resulting from a voluntary disclosure of an offence.

Following the disclosure, GEI conducted an extensive internal investigation and cooperated fully with the RCMP and the PPSC. GEI pleaded guilty based on an agreed statement of facts and was fined \$9 million, plus a \$1.35 million victim fine surcharge.

During 2012–2013, the Committee considered 20 litigation files, 18 in the Supreme Court of Canada and two in lower courts. The Committee also recommended a position on one legal issue.

During the year, PPSC prosecutors appeared in the Supreme Court of Canada in 14 cases: seven appeals, four interventions, and three oral hearings on a leave application.

National Prosecution Policy Committee

The National Prosecution Policy Committee serves as a senior advisory body on matters that affect the PPSC nationally and which are not related to a specific ongoing prosecution, investigation, appeal or intervention. The Committee's purpose is to promote and ensure consistency and quality in PPSC legal advice, policy development and prosecution practices.

During 2012–2013, the Committee reviewed 16 guidelines and directives.

Major Case Advisory Committee

The Major Case Advisory Committee is composed of senior PPSC prosecutors with expertise in major prosecutions from offices across Canada. It considers prosecution plans for complex prosecutions referred to it by Chief Federal Prosecutors, and makes recommendations to the responsible Deputy DPP. The Committee examined seven such plans in 2012–2013.

PPSC National Awards

The recognition of excellence and exceptional performance on the part of PPSC employees is of great importance to the organization. The PPSC has, therefore, created awards to recognize extraordinary merit at the national and local levels. There are three national awards:

- the **Excellence Award**, which recognizes exceptional performance and professionalism;
- the **Leadership Award**, which recognizes leadership in inspiring excellence, professionalism, and ethical behaviour; and
- the **Team Achievement Award**, which recognizes exceptional performance and contributions beyond normal expectations for a team or group.

There are two types of local awards: the **Merit Award** and the **Immediate Recognition Award**. Local awards allow managers to recognize employees who have exceeded normal performance expectations.

Team Achievement Award

Divide Team — Manitoba Regional Office

Chris Mainella, Sadie Bond, Mark Lafreniere, Stacy Cawley, Ian Mahon, Christine Langdon, Cynthia DeSousa, Susie Barros, Suzanne Moquin, Anne Krahn, Erin Magas

The Divide Team was recognized for its exceptional contribution to the investigation and prosecution of “Project Divide,” a high-profile organized crime file involving 34 members of the Hells Angels and of an associated puppet club.

Training

School for Prosecutors

The PPSC School for Prosecutors offers annual training designed to promote professional development relevant to the prosecution function.

In 2012, the School held three separate training events.

The **Level One (Prosecution Fundamentals)** course covered a range of topics of particular interest to PPSC prosecutors, including the role of the Crown, witness and trial preparation, and ethical issues in practice.

The **Level Two (Advanced Issues for Prosecutors)** course focused on wiretap authorization and complex case issues.

The **Written Advocacy** course helped counsel perfect their factum-writing skills.

Official Languages

The Official Languages Committee continued to ensure that the PPSC met its obligations under the *Official Languages Act*. It also ensured the fulfillment of any follow-up on measures outlined in the reports issued by the Commissioner of Official Languages, Treasury Board Secretariat, and the Minister of Canadian Heritage.

The PPSC has begun to introduce mechanisms for reporting on minority-language prosecutions and supports for official language minority communities. Bilingual PPSC prosecutors have taken language courses to improve their capacity to plead cases in the minority language in their jurisdiction. The PPSC is a contributing partner for the Jurisource.ca website, which provides references and working tools for legal practitioners.

One of the PPSC’s official languages co-champions sits on the federal Council of the Network of Official Languages Champions, a group responsible for promoting official languages throughout the public service and exchanging best practices.

School for Prosecutors, Written Advocacy – July 2012



School for Prosecutors, Prosecution Fundamentals – July 2012



School for Prosecutors, Advanced Issues for Prosecutors – July 2012



Outreach

The PPSC continued to support and advance external relations with key national and international stakeholders involved in the criminal justice field throughout the year.

Senior PPSC officials met with the Federation of Law Societies of Canada on two occasions, to discuss issues of mutual interest, including the accreditation of courses provided by the PPSC's School for Prosecutors. In November 2012, a PPSC senior prosecutor briefed members of the Saskatchewan Provincial Court Judges Association (SPCJA) on recent changes to the CDSA contained in Bill C-10 (*Safe Streets and Communities Act*) at the SPCJA's fall conference.

In September 2012, Deputy Director of Public Prosecutions, George Dolhai, led a Canadian delegation at a high-level meeting of the Americas in Mexico City to discuss a hemispheric approach to transnational organized crime.

In late September 2012, the PPSC participated in a counter-terrorism workshop in Mexico sponsored by the United Nations Office on Drugs and Crime. The Canadian presentation focused on the national experience in the investigation and prosecution of acts of terrorism.

Throughout the year, PPSC prosecutors continued to provide training to the RCMP and other police forces on search and seizure issues, wiretap law, and disclosure obligations.

The PPSC hosted interns from prosecution services in Argentina, Guatemala, and France who came to Canada to learn more about Canada's criminal justice system.

Meetings with Foreign Delegations

On January 22, 2013, a delegation of members of the French National Assembly visited PPSC Headquarters in Ottawa to discuss judicial control over intelligence activities in the criminal law environment. Discussions also covered prosecutorial independence.

On June 15, 2012, senior PPSC officials, including the DPP, met with a delegation from the Netherlands in Canada to discuss approaches to investigating and prosecuting serious crimes.

On September 24, 2012, Morris Pistyner, the Chief Federal Prosecutor of the PPSC's Ontario Regional Office, met with members of a delegation visiting from the Supreme People's Procuratorate of China, to learn about the role of Canadian prosecutors and the organizational structure of the PPSC.



Public Works and Government Services Canada

In October 2009, an engineer died in a boiler explosion at an Ottawa plant operated by Public Works and Government Services Canada (PWGSC) that supplies heating and cooling to approximately 50 government buildings in Ottawa and Gatineau. In 2012, PWGSC pleaded guilty to three charges under the *Canada Labour Code* and agreed to a \$300,000 fine. Sentencing proceedings are ongoing.

FPT Heads of Prosecutions Committee

The Federal-Provincial-Territorial Heads of Prosecutions Committee brings together the leaders of Canada's prosecution services to promote assistance and cooperation on operational issues. The DPP is permanent co-chair of the Committee and the PPSC acts as its secretariat.

The Committee held two meetings in 2012. The first, in April 2012, was organized jointly with the Director of Criminal and Penal Prosecutions of Quebec. It was held in Quebec City immediately before the 2nd North American and Caribbean Regional Conference of the International Association of Prosecutors (IAP) and featured a joint meeting with the Executive Committee of the National District Attorneys Association. The second, in October 2012, was organized jointly with the Manitoba Prosecution Service and featured the National Prosecution Awards Ceremony. The PPSC also organized several meetings and teleconferences of subcommittees and working groups of the Committee.

International Association of Prosecutors

The International Association of Prosecutors (IAP) is a non-governmental and non-political organization. It promotes the effective, fair, impartial, and efficient prosecution of criminal offences through high standards and principles, including procedures to prevent or address miscarriages of justice. It assists prosecutors internationally in the fight against organized or other serious crime, and fosters measures for the elimination of corruption in public administration. The PPSC participated in the Seventeenth Annual Conference and General Meeting of the IAP

in Bangkok, Thailand, in October 2012, where the DPP chaired the final plenary session on the expansion of transnational organized crime in new areas of activity.

A PPSC representative sits as vice-president on the board of the *Association internationale des procureurs et poursuivants francophones*, a sister organization of the IAP.

The PPSC also has a representative on the development board of the Global Prosecutors E-Crime Network (GPEN), a web-based platform launched by the IAP for specialist e-crime prosecutors that provides access to a library of documentary and training resources. The GPEN site offers cybercrime prosecutors a contacts database, a discussion forum, and a virtual library and training materials. The PPSC is responsible for the Canadian content of the GPEN site, which is developed in consultation with the Federal-Provincial-Territorial Working Group on Cybercrime.

Internal Services

Administration Services

The Administration Services Division is responsible for the delivery of programs and services in the areas of facilities management, security, occupational health and safety (OHS), and informal conflict management. Key activities undertaken in 2012 included:

- completing the final planning stages, including the application of Workplace 2.0, for the consolidation of the Headquarters facility in the National Capital Region (construction currently underway);



- application of Workplace 2.0 to the design of the new National Capital Regional Office, the Nunavut Regional Office, and the Calgary Local Office, all scheduled for occupancy in summer 2013;
- the establishment of the PPSC Informal Conflict Management System, which allows employees to resolve conflicts in an informal and collaborative manner;
- the continued provision of security advice and support for personnel security and employee safety by applying measures to prevent and respond to incidents of intimidation against employees, presenting awareness sessions on security of information, and providing security briefs during the office design stage of facilities management projects; and
- coordination of the PPSC OHS program, including the publication of the PPSC *Policy for the Prevention and Resolution of Violence in the Workplace* and the *Policy on Small Appliances and Devices*, coordination of the ongoing work of the PPSC National OHS Policy Committee, support to regional workplace committees, and advice to management and employees on OHS issues.

Communications

The Communications Group is responsible for the PPSC's communications activities aimed at the public and the media, as outlined in the *Director of Public Prosecutions Act*.

The Group provides communications products, services, and advice to PPSC prosecutors and managers. It is also responsible for internal communications and for publishing the PPSC intranet and other internal communications vehicles.

In 2012–2013, the Group provided media training sessions in regional offices and at Headquarters to assist prosecutors in the performance of their public and media communications role.

Corporate Counsel

The Office of the Corporate Counsel (OCC) provides advice to the DPP and to PPSC management on administrative and public law matters, values and ethics, conflicts of interest or duties, employment law issues, access to information, political activities, post-employment measures, litigation against the PPSC, law society legal issues, application of Treasury Board policies and guidelines and

Fernand Gilbert Ltée

Fernand Gilbert Ltée was responsible for the construction of a section of route 175 between Quebec City and the Saguenay region. As a result of the work, a significant quantity of sediment was deposited in watercourses that run into the Jacques Cartier River, causing substantial harm to fish habitats. Fernand Gilbert Ltée pleaded guilty to six counts of destruction of fish habitat under the *Fisheries Act*. It was ordered to pay a penalty of \$165,000, most of which will be used to promote conservation and protection of fish habitat in the Jacques-Cartier National Park and the Laurentides Wildlife Reserve.

agent-related issues. In addition, the OCC is involved in the provision of advisory services in areas pertaining to management issues.

Finance and Acquisitions

The Finance and Acquisitions Directorate provides leadership, advice, and services in acquisition management, resource management, accounting management, policy, and quality assurance to the PPSC. In addition to fulfilling its ongoing commitments, the Directorate:

- implemented projects that streamlined business processes and enhanced forecasting and reporting (e.g., cost recovery, financial statements);
- developed and implemented an internal control framework that included controls over financial reporting, an action plan to address necessary adjustments, and remedial actions to correct identified weaknesses; and
- took over all financial management and acquisitions regional services that were formerly delivered by the Department of Justice Canada.

Human Resources

The Human Resources Directorate (HRD) is responsible for human resources management.

In 2012–2013, HRD worked on tools to better track learning initiatives and investments. The PPSC also increased its attention to less formal types of training, such as mentoring. Through its partnership

with the Department of Justice Canada, the introduction of mentoring tools has increased the efficiency of participant matching and a new communication strategy targeted at new mentors and existing participants has increased participation in the program.

The PPSC has continued to work on the development of a Disability Management Initiative designed to address concerns about employee absence due to illness and injury. The PPSC's approach to disability management emphasizes ongoing communication between employees, their managers, and other stakeholders.

The *PPSC Code of Conduct* came into effect May 1st, 2013. The Code, which applies to all PPSC employees, complements the *Values and Ethics Code for the Public Sector* and is based on the PPSC's core values of respect, integrity, excellence, and leadership. The codes describe the behavioural expectations that must be met by employees during and after their employment.

The Public Service Commission audited the PPSC in 2012 and evaluated the PPSC's staffing framework, systems, and practices. The audit identified a number of opportunities for improvement in the PPSC's staffing policies and procedures, and made recommendations. The PPSC has already taken steps to address many of these recommendations, including a review of the PPSC's *Policy on Area of Selection*, the drafting of a staffing monitoring framework, and the posting of the organization's staffing priorities and strategies.

As part of its obligations under the *Employment Equity Act*, the PPSC undertook an Employment Systems Analysis. This exhaustive analysis of the organization's employment policies, practices, and systems aims to identify and eliminate systemic and behavioural obstacles to the recruitment of members of designated groups (women, Aboriginal persons, persons with disabilities, and visible minorities). The results of the Employment Systems Analysis will be known in 2013–2014.

Information Management and Technology

The Information Management and Technology Directorate is responsible for the planning, management, and delivery of library, information management, information technology, and application services to all PPSC staff.

In addition to providing ongoing operational services and overseeing those provided by the Department of Justice Canada and Shared Services Canada during 2012–2013, the Directorate:

- established and negotiated support service agreements with Shared Services Canada;
- established a number of priority information management and information technology projects in support of the core function of the PPSC; and
- provided assistance with the planning of Headquarters and regional office relocation projects.

Internal Audit

The Internal Audit Division (IAD) assesses the effectiveness of the PPSC's processes and works with the Departmental Audit Committee (DAC) to provide objective advice and recommendations to the DPP regarding the sufficiency, quality, and results of the organization's risk management, control, and governance frameworks and processes.

In 2012–2013, the PPSC published three internal audit reports: the *Audit of the Northwest Territories Regional Office*, the *Audit of Governance and Integrated Planning*, and the *Audit of the Alberta Regional Office*. The IAD also conducted two follow-up reviews of management action plans addressing prior audit recommendations. The DAC, which is chaired by the DPP, met three times during the year and reviewed a number of audit-related items including the audit of PPSC appointment activities, conducted by the Public Service Commission of Canada, values and ethics, security, risk management, internal controls, governance, planning, and financial reporting.

Ministerial and External Relations

The Ministerial and External Relations Secretariat (MERS) is responsible for ministerial liaison, Cabinet and parliamentary affairs, correspondence, relations with external groups, and access to information and privacy.

MERS oversees the timely delivery of quality briefing material to the Office of the Attorney General pursuant to the DPP's obligation under section 13 of the *Director of Public Prosecutions Act*, which requires that the DPP inform the Attorney General of cases that raise important questions of general interest. In addition, MERS responds to incoming correspondence from the general public as well as requests for information on PPSC activities, including inquiries from Parliament. In 2012–2013, the PPSC responded to 72 questions placed on the Order Paper of the House of Commons.

The Access to Information and Privacy (ATIP) Office is responsible for the application of access to information and privacy legislation at the PPSC. The ATIP Office ensures that the PPSC complies with the *Access to Information Act* and the *Privacy Act*. It also carries out training and education activities to raise awareness among PPSC employees and

Project Faril

Project Faril was an 18-month cross-border investigation into drug smuggling across the Canada-United States border. A criminal organization courier service used modified vehicles, encrypted internet communications on handheld devices, and GPS to fix meeting points at remote border locations along the Montana-Saskatchewan border to exchange drugs and money. In excess of 1,300 kg of cocaine was smuggled from the west coast of the United States into Canada, and over 1 million pills of ecstasy (MDMA) were smuggled in the reverse direction. The total street value of the drugs seized exceeded \$150 million. The leader of the courier service, Brock Palfrey, was sentenced in Canada to 18 years' imprisonment. Two of his couriers, Bruce Larsen and Troy Swanson, were sentenced to 12 years and 11 years respectively. Other couriers were prosecuted in the United States.

agents about their roles and responsibilities under these acts. In 2012–2013, the ATIP Office processed 28 requests under the *Access to Information Act* and 15 requests under the *Privacy Act*. It also responded to 48 ATIP consultations received from other government departments.

Strategic Planning and Performance Management

The Strategic Planning and Performance Management Division is responsible for corporate-level strategic and business planning, integrated risk management, performance management and reporting, research and evaluation as well as central agency liaison.

In 2012–2013, the Division directed the PPSC's participation in the Treasury Board mandated evaluation of the National Anti-Drug Strategy (NADS), and of the Measures to Address Contraband Tobacco (MACT). It also contributed to annual performance reports on initiatives in which the PPSC participates, including

the NADS, the Anti-Money Laundering/Anti-Terrorist Financing (AML/ATF) Regime, the Integrated Proceeds of Crime (IPOC) initiative, and the Lawful Access Initiative. In addition, the Division supported the implementation of the management responses and action plans stemming from previously completed evaluations of these initiatives.

Finally, the Division's Research and Evaluation Unit undertook a review of crimorg.ca, an organized crime research resource database managed by the PPSC and accessible to Canadian law enforcement bodies, to assess its relevance, design, preliminary results, efficiency, and opportunities for improvement. It also compiled and analyzed data obtained from an inter-jurisdictional survey on the jury recruitment process for trials to be conducted in French or in both official languages. This survey was undertaken in collaboration with the Department of Justice Canada for the FPT Working Group on Access to Justice in Both Official Languages.



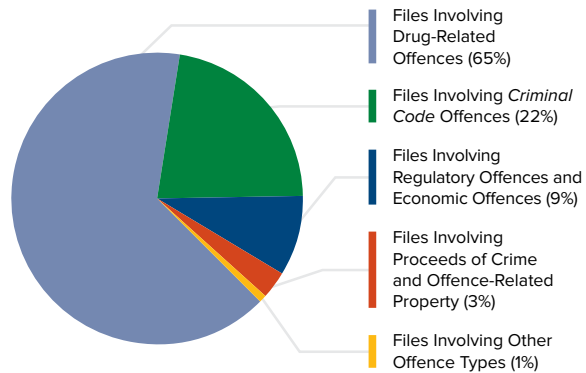
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Regional Profiles

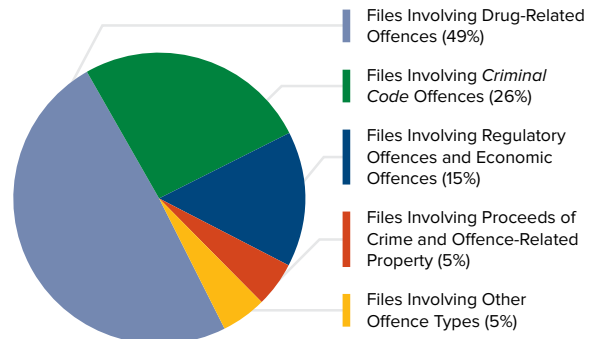
Overview

The PPSC has 11 regional offices across the country, as well as a number of local offices. Each local office reports to a regional office, and each regional office is headed by a Chief Federal Prosecutor (CFP).

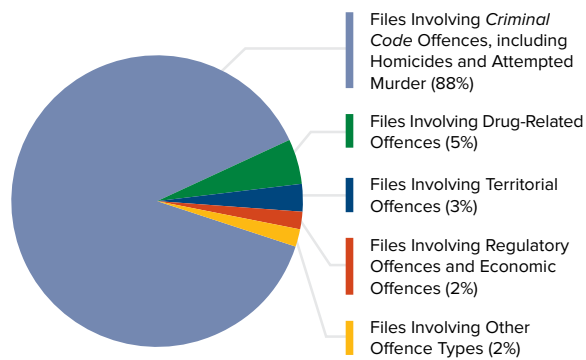
FILES BY OFFENCE TYPE – ALL PPSC REGIONAL OFFICES



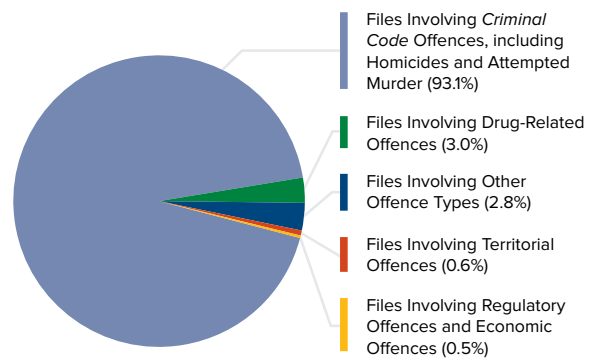
TIME SPENT BY OFFENCE TYPE – ALL PPSC REGIONAL OFFICES



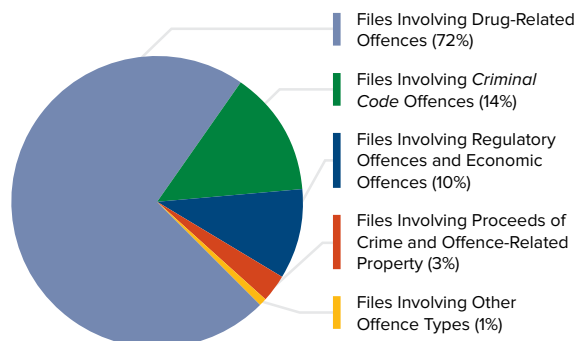
FILES BY OFFENCE TYPE – REGIONAL OFFICES LOCATED IN THE TERRITORIES



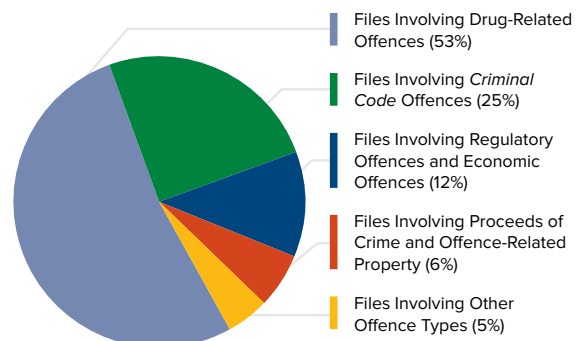
TIME SPENT BY OFFENCE TYPE – REGIONAL OFFICES LOCATED IN THE TERRITORIES



FILES BY OFFENCE TYPE – REGIONAL OFFICES LOCATED IN THE PROVINCES



TIME SPENT BY OFFENCE TYPE – REGIONAL OFFICES LOCATED IN THE PROVINCES



Alberta

EMPLOYEE DISTRIBUTION	
Employees	117
Lawyers (LA)	62
Law Management (LC)	2
Paralegals (EC)	15
Program and Administrative Services	38

The Alberta Regional Office is headquartered in Edmonton, with a local office in Calgary. In addition to the office’s in-house staff, agents handle drug prosecutions outside the two major centres.

Much of the region’s work centers on drug and organized crime prosecutions, which often present complex Charter of Rights and Freedoms issues. The office also handles a significant number of economic crime and regulatory prosecutions, which are often complex.

Over the past three years, file complexity in the Alberta Regional Office has increased dramatically. A proliferation of criminal gangs and gang activity and increased enforcement work by federal investigative agencies has contributed to a heavier workload. The concurrent rise in the use of procedural mechanisms in court and in the incidence of significant technical

and legal issues (such as search and seizure and use of information technology) extended and increased the length and complexity of court proceedings.

The region undertook a number of initiatives designed to improve efficiency and systemic integrity. They include a new major-minor prosecution agreement with the province, a new case viability assessment plan to enhance efficient early case management, and development of an electronic case presentation and case management system.

In *R. v. EGD Modern Design et al.*, EGD Modern Design was convicted after a trial on 12 charges under the *Food and Drugs Act* and the CDSA for selling products that they claimed were natural health products when they were in fact drugs under the law. The prosecution required a significant investment of resources by the PPSC. After a lengthy trial, EGD was fined \$112,000.

In *R. v. Reginald Alcantara and Alan Knapczak*, Mr. Alcantara and Mr. Knapczak were convicted after a lengthy trial of conspiracy to traffic cocaine and aiding a criminal organization. The two, who were known Hells Angels, provided Hells Angels protection to a wholesale cocaine distribution organization run by another man through a “taxing” arrangement that provided substantial profits to Mr. Alcantara and Mr. Knapczak. They were sentenced to ten years’ imprisonment, and appeals are pending. The



Éric Asselin

Éric Asselin worked as Vice-President of Finance for Norbourg Gestion d'Actifs, and later acted as a consultant to the company. Knowing that Norbourg's bankruptcy was imminent, Mr. Asselin moved significant amounts of money to his own bank account. He then hid his assets from his creditors during his personal bankruptcy. He pleaded guilty of defrauding his creditors and was sentenced in January 2013 to three years in prison. He was also ordered to reimburse \$50,000 to the trustee in bankruptcy.

principal who ran the organization had previously pleaded guilty to conspiracy to traffic cocaine and was sentenced to 14 years' imprisonment.

Atlantic

EMPLOYEE DISTRIBUTION

Employees	66
Lawyers (LA)	41
Law Management (LC)	2
Paralegals (EC)	2
Program and Administrative Services	21

The Atlantic Regional Office (ARO) carries out the PPSC's mandate throughout the four Atlantic Provinces. The ARO's regional headquarters is in Halifax, with local offices in Moncton and St. John's.

Counsel in the ARO travel extensively throughout the region, delivering prosecution and advisory services in 52 judicial districts. In New Brunswick, prosecutions are regularly conducted in both official languages.

ARO prosecutors handle a wide variety of prosecution files, including complex drug and proceeds of crime files, files involving significant investigative resources and wiretap evidence, economic crimes involving contraband tobacco and tax offences, and immigration and *Citizenship Act* violations. Counsel work closely with various investigative agencies and provide pre-charge legal advice on a wide range of

issues. *Fisheries Act* prosecutions are commonplace in the ARO, many of which raise interesting and complex issues related to Aboriginal rights claims.

The ARO divides its work among seven teams. Three of the teams are general prosecutions teams conducting primarily CDSA prosecutions in Halifax, Moncton, and St. John's. The remaining teams are based in Halifax but provide advisory and prosecution services to the ARO in the following areas: agent supervision, economic crime, organized crime/proceeds of crime, and regulatory offences.

Prosecutors in the ARO are actively involved in various initiatives across the region dealing with justice efficiencies and the administration of criminal justice. PPSC counsel also participate in a large number of educational initiatives involving investigative agencies and continuing legal education in all four Atlantic provinces.

Counsel in the ARO have been involved in several cases involving important legal issues. In *R. v. Level/Carvery*, ARO counsel are involved in an appeal based on the new provisions in the *Criminal Code* with respect to pre-trial custody and its value when a sentence is imposed. The case is expected to be heard in the Supreme Court of Canada this year.

An investigation into the flow of drugs into the correctional center in Halifax led to the arrest in late 2009 of Tyrone David, a sheriff employed by the Nova Scotia Department of Justice. The file was concluded this year, when the accused was convicted of trafficking and sentenced to four years and nine months in prison. Expert evidence was called to demonstrate the substantial negative effect that drug trafficking has on correctional institutions.

R. v. Vautour involved fishing charges under the *Canada National Parks Act*. The defendants failed to establish the existence of a culturally distinctive, geographically identifiable Métis community in the area of Kouchibouguac and the trial judge further found that “the evidence would overwhelmingly suggest that none ever existed.”

British Columbia

EMPLOYEE DISTRIBUTION	
Employees	110
Lawyers (LA)	64
Law Management (LC)	3
Paralegals (EC)	5
Program and Administrative Services	38

The British Columbia Regional Office (BCRO) has four locations in Vancouver. Prosecutors provide prosecution services throughout the province, assisted by standing agents.

Approximately 80% of the office’s workload is drug prosecutions; the balance is regulatory and economic prosecutions.

While the overall volume of files in BCRO is declining, the complexity of investigations and prosecutions is increasing. A number of investigative agencies, for example the Vancouver Police Department, Canada Revenue Agency, and the Canada Border Services Agency, have all been taking on higher-complexity files. Many cases are located outside the Lower Mainland, which necessitates extensive travel.

As a port city, Vancouver is the focus of many large cocaine importation files. It is also becoming a source of chemical drugs, such as methamphetamine and ecstasy, which are often manufactured for export.

In 2007, Baljinder Kandola, who at the time was employed as a Border Services Officer with the Canada Border Services Agency, was arrested and charged after he and two other individuals – Shminder Johal and Herman Riar – imported

208 kilograms of cocaine into Canada at the Pacific Highway Commercial Truck border crossing. The evidence revealed that Kandola had accepted bribes in exchange for allowing Johal and Riar to enter into Canada via his primary inspection booth using passenger vehicles that were filled with boxes of cocaine. In June 2012, following a lengthy trial in B.C. Supreme Court (BCSC), both Kandola and Johal were convicted of conspiracy to import cocaine as well as various breach of trust offences. Kandola was sentenced to 15 years’ imprisonment and Johal received 18 years’ imprisonment. Riar pleaded guilty at an earlier date and was sentenced to 12 years’ imprisonment.

In August 2012, a direct indictment including criminal organization charges was filed against members of the Hells Angels and associates. It is alleged that the accused provided undercover RCMP officers with \$4 million cash as a down payment for 500 kilograms of cocaine. The matter is presently before the BCSC.

Manitoba

EMPLOYEE DISTRIBUTION	
Employees	47
Lawyers (LA)	24
Law Management (LC)	2
Paralegals (EC)	4
Program and Administrative Services	17

The Manitoba Regional Office (MRO), located in Winnipeg, provides service to the entire province. This includes attendance at over 60 circuit points and regular attendance at the six major judicial centres. Four agents assist the office.

Two counsel are assigned to work with the Financial Integrity Unit (formerly IPOC) of the RCMP. All other counsel conduct prosecutions in all levels of court. These prosecutions primarily deal with drug offences but also include criminal organization offences, economic offences and offences concerning the health and safety of the public.

In Manitoba in the past year, two sets of prosecutions (Project Deplete and Project Flatlined) targeted outlaw motorcycle gangs, resulting in the incarceration of most of the active Hells Angels and Rock Machine members, as well as many of their support club members. File counts continue to grow and the increasing sophistication of police investigations are resulting in increased effectiveness in court.

The MRO has also prosecuted serious environmental offences and offences investigated by the Canadian Food Inspection Agency with international implications.

The MRO is pursuing closer ties with prosecution agencies in the United States in an effort to share strategies and outcomes to the benefit of both jurisdictions. The Integrated Border Enforcement Team is exploring issues of enforcement common to both countries.

National Capital

EMPLOYEE DISTRIBUTION

Employees	75
Lawyers (LA)	43
Law Management (LC)	2
Paralegals (EC)	12
Program and Administrative Services	18

The National Capital Regional Office (NCRO) is situated in Ottawa and is responsible for all federal prosecutions in eastern and northern Ontario, as well as in four districts in western Quebec. In early 2013, the PPSC's Competition Law Section became part of the NCRO.

The majority of prosecution files in the NCRO relates to drug offences. Many of these are associated with criminal organizations, as the current focus of police agencies appears to be on these larger and well-organized groups. In many jurisdictions, the

police have also targeted street-level drug trafficking, resulting in an increase in referrals of these files. Several agencies that investigate regulatory offences under various federal statutes are in the process of reorganizing. This has led to a decrease in the volume of file referrals, but an increase in their complexity as limited resources are focused on more serious investigations.

The NCRO also prosecutes alleged terrorism offences, such as those arising from the Project Samossa investigation, and alleged crimes against humanity, such as the prosecution of Jacques Mungwarere.

The NCRO is participating in the development of a special court to deal with the issues faced by Aboriginal offenders. The NCRO is also involved in the Ontario Justice on Target initiative, which focuses on improving the use of limited court resources. Frequent discussions with the Ottawa Crown Attorney's Office and Ottawa Police Service have been directed at improved cooperation on joint prosecutions and disclosure issues.

Northwest Territories

EMPLOYEE DISTRIBUTION

Employees	48
Lawyers (LA)	17
Law Management (LC)	2
Paralegals (EC)	4
Program and Administrative Services	25

The PPSC is responsible for the prosecution of all offences under federal legislation in the Northwest Territories (NWT), and also conducts most territorial prosecutions. The Northwest Territories Regional Office (NWTRO) serves an area of over 1 million square kilometres and is located in Yellowknife, the territorial capital. Communities throughout the NWT are served by circuit in both Territorial Court

Training in the PPSC

The PPSC is proud to be a training organization, focused on providing employees with training opportunities to enable them to succeed in their careers. The School for Prosecutors offers training to lawyers at all stages of their careers, enhancing their skills as effective prosecutors. The Federal Prosecutor Development Program, which launched in the spring of 2013, is a comprehensive program of training, mentoring, and on-the-job activities designed to equip new prosecutors with the knowledge, skills, and experience they need to advance in their prosecutorial careers. The PPSC maintains a Knowledge Management database, which collects materials prepared by prosecutors across the organization and enables prosecutors to learn from the work their colleagues in other jurisdictions have done. The PPSC also provides opportunities for employees to perfect their second language skills.

and Supreme Court, and prosecutors travel by air to some 20 communities, and by road to one. In 2012–2013, there were 20 Supreme Court jury trials in 11 communities, ranging from Ulukhaktok in the north to Fort Smith in the south. There were 87 Territorial Court circuits outside of Yellowknife, and 74 weeks of Territorial Court in Yellowknife. The Domestic Violence Treatment Option Court sat 22 times in Yellowknife, and as of April 1, 2013 it also sits in Behchoko.

The NWTRO's lawyers and CWCs are divided into three regionally based teams, resulting in greater consistency in prosecution practices and an enhanced appreciation of community values.

The NWTRO again offered training to its prosecutors and Crown Witness Coordinators in Fixed-Wing Aircraft Safety, Wilderness First Aid, and Arctic Survival. Lawyers also received separate safety training in winter driving and skid control. Participants practiced driving into a ditch to avoid a collision, a skill that was put into use soon after on a driving circuit to Behchoko, when one of the lawyers had to do just that.

All staff received vicarious trauma training. Vicarious trauma is commonly experienced by individuals who are indirectly exposed to traumatic events, either by listening to or by witnessing other people's suffering. All NWTRO staff attended aboriginal awareness training camps. Participants travelled the ice road to Dettah, an aboriginal community near Yellowknife, and then by snowmobile to the camp. They learned about the First Nations history of the area, how to clean and fillet fish before cooking it over an open fire, and traditional medicine.

The NWTRO is partnering with the University of Victoria Law School Co-op program, and offers work placements to participating students. To date, three of the co-op students have gone on to article in the NWT – two with the PPSC and one with the Department of Justice Canada.

Spousal assaults continue to be a significant problem in the NWT. The Domestic Violence Treatment Option Court, which began hearing cases in 2011, has run three programs, and 16 participants (13 male, three female) have successfully completed the program. An additional two participants were not successful. A fourth program began in early March 2013.

Nunavut

EMPLOYEE DISTRIBUTION	
Employees	37
Lawyers (LA)	13
Law Management (LC)	2
Paralegals (EC)	1
Program and Administrative Services	21

Nunavut encompasses over 2 million square kilometres and 25 communities. PPSC offices are located in Iqaluit, the territorial capital, and in Yellowknife, Northwest Territories. The local office in Yellowknife serves the Kitikmeot area, which is more easily reached from Yellowknife than from Iqaluit.

The PPSC Nunavut Regional Office (NRO) is responsible for all prosecutions that occur in the territory, including *Criminal Code* matters, matters under the CDSA, regulatory prosecutions and *Territorial Act* prosecutions.

Crimes of violence, from assaults to homicides, continue to present the greatest challenge to the NRO. The NRO opened fewer files last year, but the severity of the files remains far above the national average. In addition, there were several serious historical sexual assault matters involving allegations of breach of trust with young complainants.

Prosecutions under the *Nunavut Liquor Act* and the CDSA have increased as a result of greater emphasis on these offences by investigative agencies.

Nunavut continues to have the highest per capita rate of assaults, sexual assaults and homicides in Canada. This has been the case since 2001. With respect to homicides, over one half were committed by a spouse or other family member. Not only does the territory suffer from the highest crime rate in Canada, it also has the highest scores on both the Crime Severity Index and the Violent Crime Severity Index. Crimes committed in Nunavut tend to be more serious than in other parts of the country.

At the same time, criminal charges laid in Nunavut have declined each year since 2008–2009. As well, the NRO resolved more cases in the last year than in any year previous and is substantially reducing the amount of time it takes to prosecute a file. The NRO will continue to work with justice partners at all levels to make positive advances in the administration of criminal justice in Nunavut.

Ontario

EMPLOYEE DISTRIBUTION	
Employees	188
Lawyers (LA)	121
Law Management (LC)	3
Paralegals (EC)	22
Program and Administrative Services	42

The Ontario Regional Office (ORO) is responsible for all of southern Ontario, from Windsor in the west to Trenton in the east, and from Georgian Bay-Peterborough/Lindsay in the north to the Niagara frontier in the south. The regional headquarters is in Toronto, and there are local offices in Brampton, Kitchener, and London.

While the major portion of the ORO's caseload consists of the prosecution of drug offences, the office also prosecutes various regulatory matters, including tax evasion cases.

The ORO continues to see a proliferation of marihuana grow operations and methamphetamine laboratories, which frequently pose dangers to the communities in which they are located. The office has also noticed an increase in prosecutions related to the increasing activity of organized crime groups outside the Greater Toronto Area, including the Kitchener area.

The ORO has undertaken efforts to improve electronic disclosure in major cases. The office is also working closely with the RCMP and the CRA as they undergo their respective restructuring exercises.

In 2012–2013, the ORO was responsible for prosecutions arising from Project O’Board, in which importers who brought in more than 100 kilograms of drugs into Canada were convicted. The ORO is also responsible for an ongoing prosecution arising from Project Ink, in which an alleged criminal enterprise is being prosecuted for its alleged involvement in a massive cocaine importation scheme, and in which over \$1 million in proceeds of crime were seized.

Quebec

EMPLOYEE DISTRIBUTION	
Employees	91
Lawyers (LA)	53
Law Management (LC)	2
Paralegals (EC)	11
Program and Administrative Services	25

The Quebec Regional Office (QRO) is located in Montreal, and has prosecutors working with an Integrated Market Enforcement Team and an

Integrated Proceeds of Crime unit in Quebec City. The QRO is responsible for federal prosecutions in 31 of Quebec’s 34 judicial districts.

Prosecutors in the QRO deal primarily with complex and high-profile prosecutions, particularly relating to organized crime, economic crime, money laundering, terrorism, tax evasion, and national and border security. More than 400 of the office’s 2012–2013 files were megacases or cases of high complexity.

Prosecutors provide advice to investigative agencies in the area of capital market fraud offences, in addition to conducting the related prosecutions. They also deal with prosecutions under the *Fisheries Act* that raise complex questions such as Aboriginal ancestral rights claims.

Several prosecution files were handled under the *Immigration and Refugee Protection Act*, notably cases of false claims of residence in Canada.

A dozen specialized QRO prosecutors acted as agents for the Minister of Public Safety and Emergency Preparedness for the purpose of obtaining authorizations for wiretap and video surveillance in the course of major investigations led by the RCMP in matters of national security, drugs, and organized crime.

The QRO continued to work with Quebec’s Director of Criminal and Penal Prosecutions in the prosecution of fraud, organized crime, and terrorism offences.



MV Sun Sea and MV Ocean Lady

The PPSC is responsible for a series of prosecutions arising in the wake of the arrival of two ships carrying undocumented migrants. The *MV Ocean Lady* arrived in British Columbia in 2009, carrying 76 migrants, and the *MV Sun Sea*, carrying 492 migrants, arrived in 2010. Several individuals were charged under the human smuggling provisions of the *Immigration and Refugee Protection Act* for having facilitated the entry of undocumented migrants into Canada. The accused in the *MV Ocean Lady* case successfully argued that the human smuggling provisions were overly broad and should therefore be invalidated. The case is currently under appeal. Four of the accused in the *MV Sun Sea* case are currently awaiting trial, while one of their co-accused has fled to France and another to Sri Lanka.

Saskatchewan

EMPLOYEE DISTRIBUTION

Employees	27
Lawyers (LA)	14
Law Management (LC)	2
Paralegals (EC)	2
Program and Administrative Services	9

The Saskatchewan Regional Office (SRO) is based in Saskatoon. An integrated proceeds of crime unit is located at RCMP Headquarters in Regina. Standing agents assist the SRO in handling files of all complexities at 80 court locations.

Organized crime (drugs, proceeds of crime, money laundering and weapons offences) and tax files are the mainstay at the SRO. Regulatory matters such as environmental offences, labour code violations resulting in workplace injuries and fatalities, customs, immigration, copyright, and bankruptcy files make up most of the rest of the workload.

The SRO has seen an upward trend in drug enforcement activity by the three provincially funded organized crime units, municipal police forces throughout the

province, and 1,300 RCMP members at 83 detachments. Although 67% of the provincial population is urban, economic growth in construction and mining sectors means criminal activity extends to rural areas where such development occurs. The SRO has seen an increase in violence and the use of weapons in organized crime activity, and has required the assistance of security personnel in several instances. The SRO has noticed an increase in the use of postal services for smuggling drugs, including heroin and marihuana, from Europe and the Middle East.

The SRO collaborates with its partners in the justice system, including the courts and the provincial Ministry of Justice, to reduce the time needed for the waiver of charges and probationary or conditional sentences to other jurisdictions when the offender is not a Saskatchewan resident. Similar efforts have reduced the time accused persons await trial.

Notable files prosecuted by the SRO include *R. v. Taylor*, in which a correctional officer was found guilty after a three-week jury trial of smuggling various drugs into a jail and was sentenced to five years for drug trafficking and obstruction of justice.

Yukon

EMPLOYEE DISTRIBUTION	
Employees	31
Lawyers (LA)	11
Law Management (LC)	2
Paralegals (EC)	1
Program and Administrative Services	17

The Yukon Regional Office (YRO) is located in the capital city of Whitehorse. YRO employees are responsible for 14 court locations, including Whitehorse. There are six regularly scheduled Territorial Court circuits in each location outside Whitehorse each year, with special sittings scheduled for complex and lengthy matters. The Supreme Court sits in each community on a special sitting basis, depending on demand. Prosecutors travel by road to all locations, except for Old Crow, which can only be accessed by air.

Criminal Code prosecutions sometimes involve disturbing material and images, which can be very difficult for those involved. In 2012–2013, the YRO renewed the training program for all regional office staff to help them deal with vicarious trauma. The training is provided one-on-one, with the opportunity for follow-up counselling with the facilitator on request. This training and counselling is mandatory for all new employees in the YRO.

A large number of offences in the YRO are related to spousal violence. The YRO appears before the Domestic Violence Treatment Option Court in the Yukon, which is available in Whitehorse and in the community of Watson Lake. This Court provides a treatment-based approach to spousal assault matters. It requires that the accused plead guilty at the outset, after which he or she may be eligible to receive treatment focused on spousal violence and addictions. At the end of the process, which takes on average 12 months, the offender receives a sentence mitigated by his or her involvement in the process.

The YRO is also an active partner in the Community Wellness Court, which deals with individuals affected by alcohol or drug addiction, mental health issues, or a cognitive deficiency (including Foetal Alcohol Spectrum Disorder). This program requires a guilty plea from the accused and the acceptance of onerous release conditions which provide for regular meetings, programming, education, psychological assessment and counselling, random testing for substance use and other conditions specific to the needs of the accused. At the end of the process, which takes on average 18 to 24 months, the offender receives a sentence mitigated by his or her involvement in the process.



4

Corporate Priorities

Engagement and Employee Development

The PPSC's work on this priority focuses on creating a workplace characterized by respect and reflective of the PPSC culture of diversity and inclusiveness, where employees are invited to use the official language of their choice, and where harassment and discrimination are not tolerated.

In 2012–2013, the PPSC began the adoption of the Common Human Resources Business Process, which will help to deliver human resources systems more effectively. The Terms of Reference of the Human Resources Management Committee were revised and a new accelerated meeting schedule was established. The PPSC Public Service Employee Survey Action Plan was approved and communicated to all staff in November 2012 and regional action plans were collected to further expand on activities to address survey findings.

The Federal Prosecutor Development Program, a comprehensive program of training, mentoring, and on-the-job activities for new prosecutors, was launched in the spring of 2013 and will be phased in over the coming year.

Security

The PPSC has in place a security program that seeks to provide a safe and secure working environment for employees and to protect the information under its stewardship.

Over the course of the year, the PPSC responded to reported incidents of intimidation through its Employee Protection Program, which provides protective measures for staff who face threats as a result of their work. The Security Services Section participated in the design of PPSC offices in order to ensure that physical security features were incorporated during office improvement projects. Awareness sessions were offered to PPSC offices across the

country in order to increase employee awareness about security practices and policies regarding security of employees, offices and information.

Measures undertaken to protect information included awareness sessions on information management and security marking of documents in compliance with the *Security of Information Act* and the *Policy on Information Management*. As well, the Section provided advice and operational support across the country on access control and employee identification, procurement of secure cabinets and containers, and screening for security clearances of personnel.

Resourcing and Performance Management

As a federal government organization, the PPSC is accountable for maximizing efficiencies within available resources and reporting on its performance. The availability of reliable performance information is central to the PPSC's ability to accurately portray its activities and results, as well as to support planning, decision-making, and funding strategies.

The PPSC relies on data drawn from its case management system for both planning and reporting purposes. Modifications brought to this system in 2012–2013 have focused on improving the capture of data on, for example, what charges were laid and when, as well as information on charges that carry mandatory minimum penalties. Such changes enhance the PPSC's capacity to report on prosecution activities in greater detail.

Advancing the PPSC's Relationships with Investigative Agencies

The PPSC recognizes the importance of maintaining collaborative relationships with the police and investigative agencies, while respecting the independence of each organization. Good relationships with investigative agencies ensure that both the PPSC and the agencies exercise their respective roles independently, but co-operatively, and help to maximize the PPSC's effectiveness and efficiency as a prosecution service.

In June 2012, the PPSC implemented service standards that establish what police and federal investigative agencies may expect from PPSC legal staff regarding matters such as the PPSC's normal business hours, response time for a request for a legal opinion, and when they can expect to be consulted by the PPSC. Mechanisms and tools to monitor the implementation of the service standards are being developed in consultation with Chief Federal Prosecutors.

The PPSC continues to participate in interagency committees and working groups, including the IMET Executive Committee and the Securities Fraud and Economic Crime Prosecutors Affiliation. The PPSC also holds bilateral meetings with the RCMP and other investigative agencies at least annually to discuss investigations, prosecutions, legal issues, and respective roles and responsibilities.

The PPSC has entered into MOUs with several investigative agencies which set out roles and responsibilities and affirm our independence as an organization.



5

Financial Information

Operating Budget

The PPSC's entire budget is dedicated to operations – that is, to providing prosecution services.

In fiscal year 2012–2013, the initial budget of \$174.3 million was increased during the year by \$8.7 million. At year-end, the budget totalled \$183 million. The main reasons for the increase were additional funding for new and renewed

initiatives, renewed collective agreements, and unused funds from the 2011–2012 operating surplus. Additional information is provided in Table 1.

The decrease in budget from 2011–2012 to 2012–2013 was primarily due to lower funding for the relocation of offices.

TABLE 1: TOTAL BUDGET (\$ MILLIONS)

	2012–2013			2011–2012
	BUDGET AT BEGINNING OF THE YEAR	ADDITIONS	BUDGET AT YEAR-END	BUDGET AT YEAR-END
Personnel (including employee benefit plans)	125.6	1.5	127.1	126.7
Other Operating Costs	62.4	8.1	70.5	76.3
Receipts and Revenues Credited to Vote	(13.7)	(0.9)	(14.6)	(16.4)
Total Net Budget	174.3	8.7	183.0	186.6

Actual Spending

As illustrated in Table 2, the 2012–2013 actual net spending came to \$163.4 million, an increase of \$7 million over 2011–2012. The increase was primarily because payments to the service provider (Department of Justice Canada) for internal services were made in other operating

funds instead of personnel funds, thereby decreasing the costs of personnel and increasing other operating costs. In addition, the other operating costs included increased spending for informatics hardware and software.

TABLE 2: TOTAL ACTUAL NET SPENDING (\$ MILLIONS)

	2012–2013	2011–2012
	ACTUAL SPENDING	ACTUAL SPENDING
Personnel	97.0	99.8
Other Operating Costs	65.8	58.0
Contributions to Employee Benefits Plan	15.2	15.0
Receipts and Revenues Credited to Vote	(14.6)	(16.4)
Total Actual Net Spending	163.4	156.4

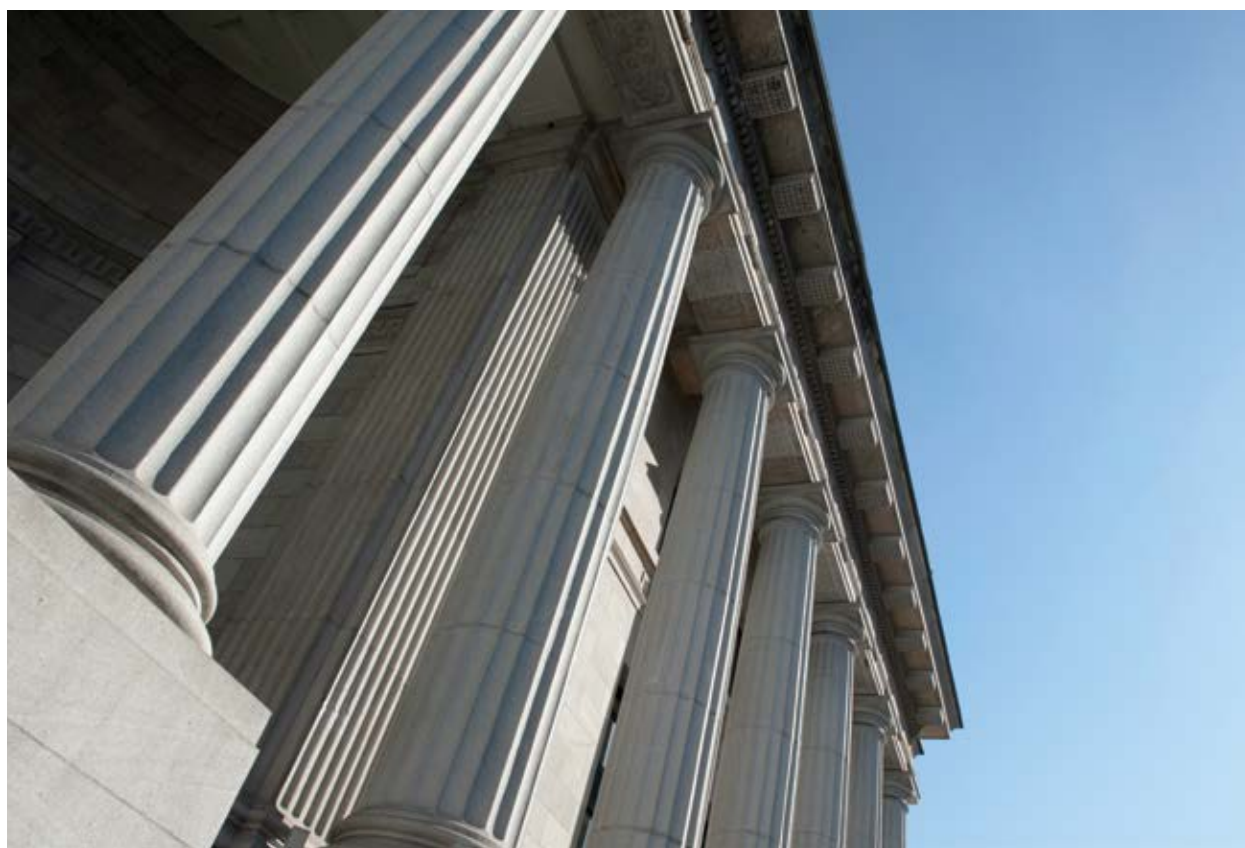
Spending by Program Activity

The PPSC has three program activities. The budget as well as the actual spending is apportioned approximately 75% for drug, *Criminal Code*, and terrorism prosecutions, 9% for regulatory offences and economic crime prosecutions, and 16% for internal services.

The unused authorities of \$19.5 million include savings realized as a result of the Budget 2012 Spending Review, funds not spent for the relocation of offices, a contingency reserve set aside for the Integrated Market Enforcement Teams, and an operating surplus.

TABLE 3: SPENDING BY PROGRAM ACTIVITY (\$ MILLIONS)

	2012–2013			2011–2012
	BUDGET AT YEAR-END	ACTUAL SPENDING	UNUSED AUTHORITIES	UNUSED AUTHORITIES
Drug, <i>Criminal Code</i> , and terrorism prosecution program	132.8	122.7	10.1	19.4
Regulatory offences and economic crime prosecution program	19.4	14.5	4.9	5.2
Internal Services	30.8	26.2	4.6	5.6
Total Net Spending	183.0	163.4	19.6	30.2





6

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