



Public Prosecution
Service of Canada

Service des poursuites
pénales du Canada



Public Prosecution Service of Canada

ANNUAL REPORT
2013–2014

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 2013–2014

© Her Majesty the Queen in Right of Canada, represented by the Attorney General of Canada, 2014.

Photography: Dan Brien

This document is available in multiple formats upon request.

This document is available on the PPSC website at the following address:

www.ppsc-sppc.gc.ca

Catalogue No: J75-2014

ISSN No: 1915-6731





Public Prosecution
Service of Canada

Service des poursuites
pénales du Canada

Office of the Director
of Public Prosecutions

Bureau du directeur
des poursuites pénales

Ottawa, Canada
K1A 0H8

JUN 27 2014

The Honourable Peter Gordon MacKay, P.C., Q.C.
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 2013–2014 Annual Report of the Public Prosecution Service of Canada. The report covers the period from April 1, 2013 through March 31, 2014.

Sincerely,

Brian Saunders, Q.C.
Director of Public Prosecutions

Contents

| | |
|--|----------|
| Message from the Director of Public Prosecutions | 1 |
| 1. The Public Prosecution Service of Canada – An Overview | 3 |
| Mandate | 3 |
| Mission and Values..... | 4 |
| Mission | 4 |
| Values | 4 |
| Assignments and Directives..... | 4 |
| Roles and Responsibilities | 4 |
| Role of the Prosecutor | 5 |
| About the Organization | 5 |
| Organizational Structure..... | 6 |
| Partners | 7 |
| Department of Justice Canada | 7 |
| Investigative Agencies | 7 |
| Provinces and Territories | 7 |
| 2. The Year in Review | 9 |
| Drug Prosecutions..... | 10 |
| Organized Crime Prosecutions | 11 |
| National Security | 11 |
| Anti-terrorism | 11 |
| Crimes Against Humanity and War Crimes | 12 |
| Security of Information..... | 12 |
| Prosecutions in Canada's North | 12 |
| Crown Witness Coordinators | 12 |
| Regulatory and Economic Prosecutions | 13 |
| Economic Prosecutions..... | 13 |
| Environmental and Fisheries Offences..... | 15 |
| Corruption of Foreign Public Officials..... | 16 |
| Agent Affairs..... | 16 |
| Fine Recovery..... | 17 |
| Federal-Provincial-Territorial National Prosecution Awards..... | 17 |
| Training | 17 |
| School for Prosecutors | 17 |
| Federal Prosecutor Development Program | 17 |
| Knowledge Management | 18 |
| Outreach..... | 18 |
| Meetings with Foreign Delegations | 19 |
| FPT Heads of Prosecutions Committee..... | 19 |
| International Association of Prosecutors | 20 |
| Internal Services..... | 20 |
| Administration Services..... | 20 |

| | |
|---|-----------|
| Communications..... | 21 |
| Corporate Counsel | 21 |
| Finance and Acquisitions | 21 |
| Human Resources..... | 21 |
| Information Management and Technology | 22 |
| Internal Audit | 22 |
| Ministerial and External Relations | 22 |
| Strategic Planning and Performance Management | 23 |
| 3. Regional Profiles..... | 25 |
| Overview..... | 25 |
| Alberta | 27 |
| Atlantic..... | 27 |
| British Columbia | 28 |
| Manitoba..... | 28 |
| National Capital | 29 |
| Northwest Territories..... | 29 |
| Nunavut | 31 |
| Ontario..... | 31 |
| Quebec..... | 32 |
| Saskatchewan | 32 |
| Yukon..... | 33 |
| 4. Corporate Priorities | 35 |
| Using Resources Effectively..... | 35 |
| Employee Training and Development | 35 |
| Working Collaboratively with Investigative Agencies | 36 |
| Personal Security of Employees..... | 36 |
| 5. Financial Information..... | 39 |
| 6. Contact Information..... | 41 |
| Public Enquiries..... | 41 |
| Media Enquiries..... | 41 |
| Headquarters | 41 |
| Regional Offices | 41 |



MESSAGE FROM THE DIRECTOR OF PUBLIC PROSECUTIONS

I am pleased to present the *Annual Report 2013–2014* of the Public Prosecution Service of Canada (PPSC).

The PPSC is an independent and accountable prosecuting authority. We are responsible for prosecuting cases under federal jurisdiction in a manner that is fair, impartial, and objective. Over the past year, PPSC prosecutors have prosecuted a wide range of cases, including many highly complex ones. In their work, they were guided by the PPSC's key values of respect, integrity, excellence and leadership.

The PPSC worked on a number of administrative initiatives in 2013–2014 intended to maintain its capacity. Of particular note was the introduction of the Federal Prosecutor Development Program. As its name indicates, the program is designed to train junior prosecutors in a comprehensive manner so that they can acquire the skills, competencies, and knowledge required to perform as front-line prosecutors.

The PPSC Executive Council has adopted three strategic organizational priorities for 2014–2015 that reflect the operational nature of the PPSC's mandate. The PPSC expects to work on these priorities over the next few years. They are:

- excellence in prosecution management;
- employee training and development; and
- working collaboratively with investigative agencies.

I would like to thank all PPSC employees for their dedication and hard work over the past year. Their efforts were essential to fulfilling our mandate.



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 DPP.

For the purposes 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 can issue a directive to the DPP about a prosecution or assume conduct of a prosecution, but must do so in writing and a corresponding 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 have been 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 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 2013–2014, 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 offences created by federal laws 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 can be 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, 1999*, 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.

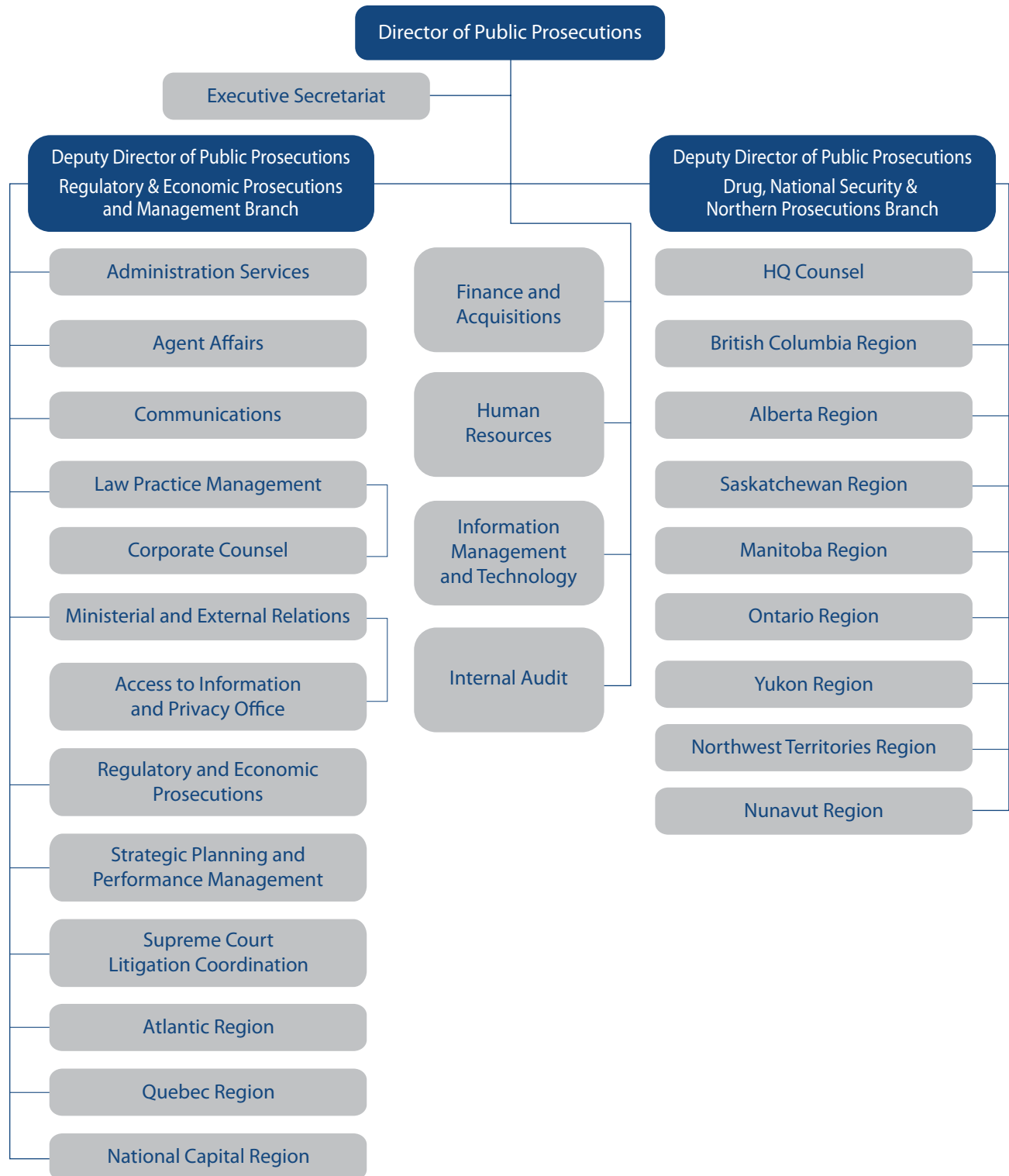
ABOUT THE ORGANIZATION

As of March 31, 2014, the PPSC had 1,059 employees, 531 of whom were lawyers. In addition to staff prosecutors, the PPSC retained the services of approximately 200 private-sector law firms, or 473 individually appointed lawyers, as standing agents.

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



ORGANIZATIONAL STRUCTURE



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 relies on the Department of Justice for system-related services and other limited internal services where the PPSC is co-located with Justice offices, such as payroll, library, and reception services. 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 on request during their investigations. The early involvement of prosecutors during investigations ensures 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.

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.

PPSC Deskbook

Federal prosecutors are guided by the rules and guidelines included in the *FPS Deskbook*, a publication created by the former Federal Prosecution Service of the Department of Justice Canada.

As an independent and accountable prosecuting authority, the PPSC has since developed its own policy manual. The *PPSC Deskbook* is expected to be introduced later this year.

The Deskbook sets out the guiding principles that all federal prosecutors must follow for the initiation and conduct of prosecutions. It contains the directives and guidelines that guide all federal prosecutors in the exercise of their prosecutorial discretion.

Once it has been introduced, the *PPSC Deskbook* will be publicly available on the PPSC's website.



THE YEAR IN REVIEW



In 2013–2014, the PPSC worked on 81,057 files. This figure includes 47,520 files opened during the year, as well as 33,537 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.

Note: The PPSC has refined the methodology used to count files in various categories, to more accurately reflect the organization's workload. In particular, cross-referenced files that include distinct charge information are no longer excluded from the file count since they are not duplicates of the related main files. Such files represent an additional 2,274 files handled by the PPSC in 2013–2014. In addition, a total of 1,363 files that had been flagged as fine recovery files are actually also litigation files. As a result, the data extraction methodology was modified in order to distinguish between files that only contain fine recovery information and those that serve a dual purpose as litigation and fine recovery files.

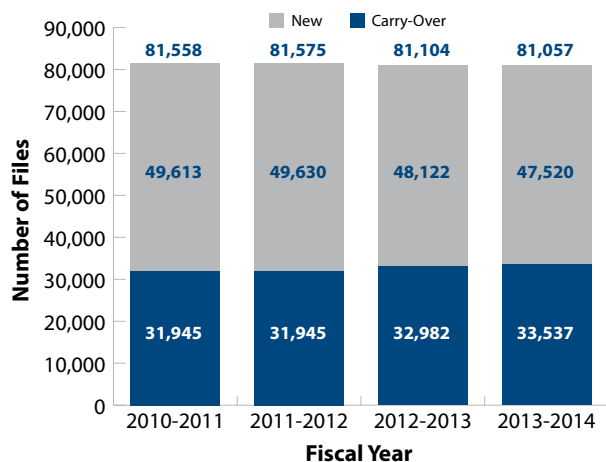
Some numbers that appeared in previous annual reports have been adjusted in the charts on the next page as a result of this methodology.

In recent years, the total number of files handled by the PPSC has levelled off. However, the amount of prosecutors' time spent on medium-complexity files has increased. PPSC prosecutors spent a large amount of time on a smaller number of these and complex, more time-consuming files. Such files included organized crime prosecutions and regulatory prosecutions.

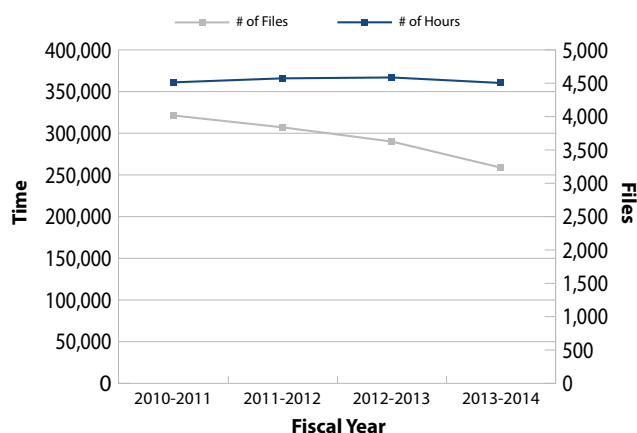
PPSC counsel prosecute offences in several broad areas:

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

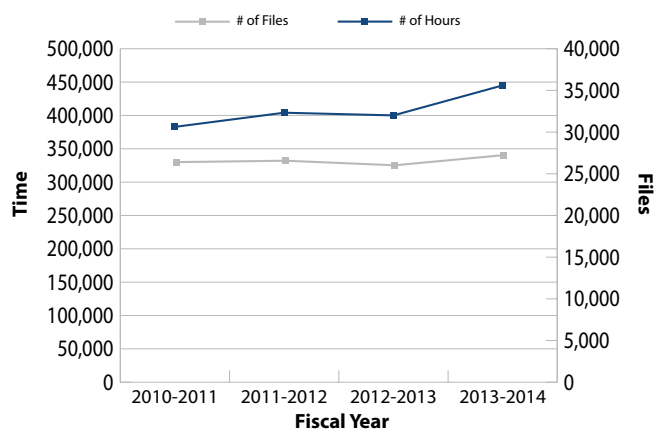
New Files and Carried-Over Files Over the Past Four Years



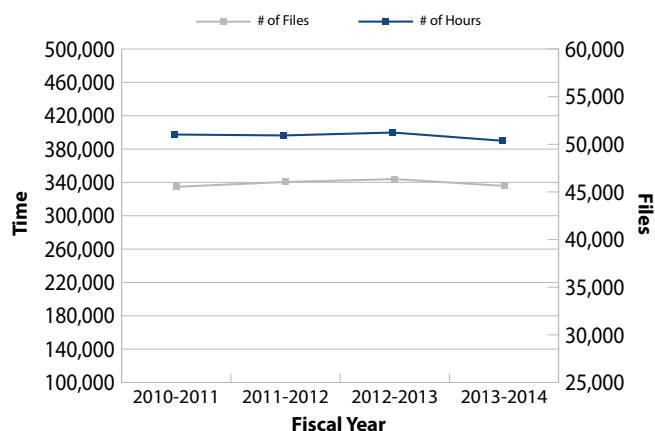
High-Complexity Files Over the Past Four Years – Number of Files and Time Spent



Medium-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



DRUG PROSECUTIONS

Drug prosecution files represent a significant proportion of the PPSC's total caseload. In 2013–2014, the PPSC handled 64,456 prosecution files related to offences under the CDSA. Of those, 37,027 prosecutions were new and 27,429 were carried over from previous years. These prosecutions vary greatly in complexity; many are simple cases of possession of small quantities of marijuana, while others involve complex schemes to import large quantities of cocaine or to manufacture methamphetamine for domestic use or for export.

High-complexity drug cases required a significant amount of PPSC resources. These prosecutions involved challenges to the legality of the investigation, the constitutionality of the legislation, disclosure, allegations of abuse of process, and unreasonable delay. While high-complexity files represented only 2.49% of staff counsel's drug caseload in 2013–2014, they took up 37.33% of the time dedicated to drug prosecutions.

Drug offences are frequently revenue-generating crimes, and thus continued to represent the majority of offences prosecuted by the PPSC that led to the forfeiture of proceeds of crime

and of the property used to commit the crime (“offence-related property”). In 2013–2014, the PPSC handled 13,668 CDSA files involving either proceeds of crime or offence-related property (6,371 were carried over from previous years, and 7,297 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.

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 and provincially 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, although a PPSC agent attends to represent the PPSC when necessary. A PPSC prosecutor also works alongside the provincial prosecutor in the Calgary Drug Treatment Court.

ORGANIZED CRIME PROSECUTIONS

Trafficking in drugs is one of the key activities of most organized crime groups. Cases involving criminal organizations have increased in recent years, largely as a result of police forces focusing more of their efforts on investigations of such organizations. In 2013–2014, the PPSC handled 444 serious drug offence-related files that included an organized crime element. Over the past year, PPSC prosecutors provided advisory assistance to police in respect of a number of significant organized crime investigations.

NATIONAL SECURITY

ANTI-TERRORISM

The PPSC has concurrent jurisdiction with provincial prosecution services to prosecute terrorism offences. To date, the PPSC has conducted the prosecutions of all terrorism cases in Canada.

In April 2013, terrorism charges against Raed Jaser and Chiheb Esseghaier were laid in Ontario relating to an alleged conspiracy to carry out a terrorist attack against a Via Rail passenger train. In July 2013, John Stuart Nutall and Amanda Korody were charged with terrorism offences relating to an alleged conspiracy to build explosive devices and place them at the British Columbia legislature in Victoria on Canada Day. Trials in relation to both matters are anticipated to take place in 2015.

In June 2013, charges of hostage-taking in association with a terrorist group were laid in relation to a kidnapping of two Canadian citizens in Niger. There are outstanding warrants for the arrest of Mokhtar Belmokhtar and Oumar Hamaha, who are not believed to be in Canada.

In April 2014, terrorism charges against Mouna Diab were stayed when it was determined the case no longer met the threshold test for prosecution.

Four additional terrorism-related prosecutions were ongoing as of May 2014: the trial of Mohamed Hassan Hersi is underway in Brampton, and charges against three individuals in Ottawa stemming from Project Samossa are before the Ontario Superior Court. One individual was tried by judge alone and a decision is expected in June 2014. The trial of a second accused commenced in May 2014, while the third accused will face trial in 2015.

CRIMES AGAINST HUMANITY AND WAR CRIMES

Jacques Mungwarere, a Rwandan national who was residing in Windsor, was charged with genocide and crimes against humanity, and was acquitted on all counts in July 2013. The acquittals were not appealed and are now final.

On May 7, 2014, the Quebec Court of Appeal upheld the convictions entered by the Superior Court of Quebec in 2009 against Désiré Munyaneza for genocide, crimes against humanity, and war crimes in relation to events that occurred in Rwanda in 1994.

SECURITY OF INFORMATION

Charges were laid in November 2013 against Qing Quentin Huang for communicating and attempting to communicate to a foreign entity, contrary to the *Security of Information Act*, information that the Government of Canada is taking measures to safeguard, and for breach of trust under the *Criminal Code*. The matter is before the courts at the pre-trial stage.

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 arrangements with the territories, certain offences under territorial legislation. In 2013–2014, the PPSC was responsible for 9,069 files in the territories, of which 8,433 involved *Criminal Code* offences. Of those files, 6,789 were new and 2,280 were carried over from previous years. Fifty of the *Criminal Code* files were homicide or attempted murder files. Northern prosecutions also included 514 files involving drug offences, 206 files involving regulatory offences, and 319 files involving territorial offences. Some files involved multiple offences.

CROWN WITNESS COORDINATORS

Crown Witness Coordinators (CWC) provide support to witnesses to crime and victims of crime in Nunavut, Northwest Territories and Yukon. There are currently 17 CWCs, based in the PPSC's three Northern regional offices. They provide services in 63 communities. The primary role of a CWC is to act as a liaison between the Crown prosecutor and witnesses and victims. CWCs explain the criminal justice system and

Court Orientation Tool Kit



In the North, court is often held in local buildings such as community halls, gymnasiums, and offices. The court is often set up only minutes before proceedings begin, when community members and the accused are already present. CWCs often don't have an opportunity to provide adequate court orientation to help witnesses understand what to expect. As a result, witnesses, particularly child witnesses, are more fearful, which can impact their ability to give a full and candid account of the evidence.

The Court Orientation Toolkit consists of a magnetic white board, magnets that depict the courtroom setting, and magnets that

represent court participants who will be present during the child's testimony. The toolkit also contains magnets that represent the child, their family, friends, and support workers, including those they wish to be present while they testify. The individual magnet pieces can be laid out to represent the room where the child will be testifying to help orient the child and increase their level of comfort, reducing their level of fear and supporting their ability to provide evidence.

inform witnesses and victims of their rights and responsibilities under the law, including the right to file a Victim Impact Statement. In support of the prosecution process, CWCs' work involves building relationships with witnesses and victims by providing court accompaniment, information regarding court dates and outcomes, assistance during testimonial preparation meetings and individualized support during testimony and sentencing hearings. They assess individual needs and provide informal support, such as translation during meetings with Crown counsel, and ensure appropriate referrals to specialized services available in communities.

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 witnesses and victims of crime with the focus on improving the CWC program to better support those who are called to testify in court.

REGULATORY AND ECONOMIC PROSECUTIONS

The PPSC provides prosecution services related to legislation aimed at protecting the environment and the safety, health, economic security, and general welfare of the public. In addition to the imposition of fines and sentences of imprisonment, these cases can result in the imposition of measures designed to enhance public health and safety, improve the management and protection of environmental resources, or discourage financial and economic malfeasance. In 2013–2014, the PPSC handled 6,933 files involving regulatory and economic offences, of which 3,323 were carried over from previous years.

ECONOMIC PROSECUTIONS

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 Quebec, Operation Octane was a major investigation into anti-competitive price fixing among gasoline retailers. It led to charges against more than 50 individuals and corporations. In 2013–2014, Pétroles Global Inc. was found guilty after a trial. Three other individuals were required to pay fines. The PPSC also initiated criminal proceedings related to anti-competitive agreements related to Quebec infrastructure projects.

In Ontario, a major investigation into anti-competitive price fixing of chocolate confectioneries led to criminal proceedings against three corporations and three individuals. Hershey Canada Inc. pleaded guilty to participation in this cartel and was fined four million dollars. The proceedings against the other accused are before the courts.

Another major investigation into bid-rigging in the auto parts industry resulted in guilty pleas from five companies, who were fined a total of \$49.2 million; one company was fined \$30 million. Two airlines pleaded guilty to a conspiracy to fix the price of air cargo. They were fined \$2.475 million in aggregate.

In Alberta, an individual was found guilty of having given misleading information related to the implementation of an online job opportunities scam and of having violated a court order. He received a total sentence of 30 months' imprisonment.

INTEGRATED MARKET ENFORCEMENT TEAMS

Integrated Market Enforcement Teams (IMET) are located in Vancouver, Calgary, Toronto, and Montreal. PPSC counsel assigned to IMETs provide legal advice to RCMP agents and other investigators of suspected financial market fraud.

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

In 2013–2014, the PPSC provided legal advice at the pre-charge stage in 43 IMET-related files, 37 of which were carried over from previous years and 6 of which were new.

In 2013–2014, the PPSC prosecuted charges related to the “Carrefour” file, a file dealing with the alleged diversion of money from retirement accounts. In 2013–2014, six defendants pleaded guilty and five of them were sentenced.

The PPSC is prosecuting three individuals, Mr. Clarke, Mr. Colpitts, and Mr. Potter, on charges of fraud, fraud affecting the public market, and conspiracy to commit fraud affecting the public market. These charges relate to the trading of stock in Knowledge House Inc. During 2013–2014, a series of pre-trial motions were heard. The trial is expected to begin in early 2015.

REVENUE OFFENCES

The PPSC prosecutes offences under all statutes administered by the Canada Revenue Agency (CRA). The most common offences prosecuted are those under the *Income Tax Act*, such as tax evasion, and those under the *Excise Act, 2001*, such as those dealing with contraband tobacco.

The files PPSC prosecutors worked on throughout the year reflected the CRA's focus on complex tax evasion schemes, cross-border crime, and on individuals and groups who promote the idea that a “natural person” is exempt from paying tax. These files present many challenges, such as the



complexity of the schemes, the use of requests for mutual legal assistance to obtain evidence, information sharing between agencies, and the self-representation of many of the accused.

In 2013–2014, PPSC prosecutors conducted prosecutions related to the activities of Paradigm Education Group, run by Russell Porisky.

According to Paradigm's teachings, a "natural person" is not subject to the *Income Tax Act*. In January 2014, Mr. Gerald Blerot, among others, was found guilty before the Court of Queen's Bench of Saskatchewan of tax evasion and of having counselled others to withhold taxes. The evidence presented to the court showed that Mr. Blerot, an "educator" with Paradigm Education group, aided and encouraged individuals to evade taxes. He received a sentence of three years and nine months in prison, and a \$58,139.03 fine. The court considered a number of aggravating factors: his role as "educator," the number of "clients" who were taught his principles, the costs borne by those clients for his services, the unfounded legal premises under which Paradigm operated, the absence of remorse on the part of the accused, and the fact that he did not recognize the court's jurisdiction. Mr. Blerot has since appealed his conviction.

In Regina, Mr. McCaw and a company he owned and controlled, Jake's Oilfield Construction Ltd., were convicted of tax evasion. Mr. McCaw was fined \$164,728 and Jake's Oilfield Construction Ltd. was fined \$99,607. Mr. McCaw was also sentenced to 14 months' imprisonment. The evidence showed that Mr. McCaw had paid fees to Mr. Blerot.

David John Barrett, a businessman from Langley, British Columbia, pleaded guilty to tax evasion in July 2013. He was sentenced to 18 months' imprisonment and was required to complete 150 hours of community service and to pay a fine of \$214,323. Mr. Barrett had received advice from Paradigm Education Group.

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 *Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act* (WAPPRIITA), and the *Canada National Parks Act*.

In New Brunswick, Gregory Logan pleaded guilty to seven counts of unlawfully exporting narwhal tusks to the United States, contrary to WAPPRIITA. Mr. Logan purchased narwhal tusks from northern suppliers in legitimate transactions between 2003 and 2009. However, he failed to obtain permits from the Minister of Environment to export the tusks as required under WAPPRIITA. Mr. Logan exported and sold an estimated 250 narwhal tusks for a total price of approximately \$692,000 in 46 transactions. He received an eight-month conditional sentence, four months of which were to be served as house arrest, and a fine of \$385,000.

R. v. Picard & Canadian Fertility Consulting Ltd.

This case marked the first prosecution under the *Assisted Human Reproduction Act* (AHRA). In August of 2011 Assisted Human Reproduction Canada (AHRC) received a complaint alleging that Canadian Fertility Consulting Ltd. (CFC) was purchasing ova in contravention of section 7(1) of the AHRA. A second complainant contacted the AHRC in September of 2011 and similarly reported allegations of multiple violations of the AHRA and *Criminal Code*. In October of 2011 the matter was referred to the RCMP for investigation.

In December 2013, CFC pleaded guilty to purchasing ova and paying a surrogate, and was fined \$20,000 on each count. Ms. Picard pleaded guilty to accepting payment for arranging the services of a surrogate and was fined an additional \$20,000.

In Alberta, SemCAMS ULC, one of the largest sour gas processors in the province, pleaded guilty to one count under the *Fisheries Act* and one count under the provincial *Environmental Protection and Enhancement Act*. After a joint submission, the company was ordered to pay \$350,000. The charges related to a release of 852,000 litres of industrial wastewater from a ruptured pipeline into muskeg and a small unnamed creek near Fox Creek, Alberta. Hundreds of dead fish were discovered in the creek downstream of the spill during the investigation and cleanup. The wastewater had been generated from the processing of natural gas and liquid hydrocarbons at the SemCAMS facility, and was being transported by an underground pipeline when the pipeline ruptured. Sample analysis confirmed the wastewater was harmful to fish. SemCAMS ULC was required to pay a federal penalty of \$200,000. Of this penalty, \$185,000 was directed to the Environmental Damages Fund, and \$15,000 was a fine. The remaining \$150,000 of the total penalty related to the provincial offence.

CORRUPTION OF FOREIGN PUBLIC OFFICIALS

In 2013–2014, the PPSC continued to provide pre-charge advice to RCMP units engaged in the investigation of alleged offences under the *Corruption of Foreign Public Officials Act* (CFPOA).

The work of PPSC prosecutors in Ottawa resulted in the first conviction of an individual under the CFPOA. On August 15, 2013, Nazir Karigar was found guilty of paying bribes to Indian government officials in order to obtain favourable treatment in the awarding of a contract for security software to Air India. On May 23, 2014, Mr. Karigar was sentenced to three years' imprisonment.

Five individuals have been charged with violations of the CFPOA in relation to a bridge project in Bangladesh. PPSC prosecutors from Montreal and Toronto worked together to conduct the prosecution of Ramesh Shah and Mohammad

Ismail, Kevin Wallace, Zulfiquar Ali Bhuiyan, and Abul Hasan Chowdhury.

In October 2013, the PPSC's activities in relation to anti-corruption were subject to on-site reviews by both the Organization of American States and the United Nations. These reviews were part of the ongoing efforts by each organization to monitor the implementation of its respective anti-corruption convention to which Canada is a signatory. Canada's involvement in these organizations helps provide an ongoing international focus on corruption issues.

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 2013–2014, 42,780 files of the total PPSC caseload were handled by agents. Of these, 23,599 were new files and 19,181 were carried over from previous years.

The Agent Affairs Program (AAP) is responsible for ensuring that agents provide high-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 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*.

The PPSC has in place a regime of fixed-term agreements for agents, for terms up to five years. Under this regime, any law firm or lawyer interested in becoming an agent can apply when an opening occurs. Agents are selected pursuant to a competitive process.

In 2013–2014, 41 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, 2014, the PPSC had retained the services of 473 agents from 201 law firms.

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 PPSC is presently exploring various avenues to outsource parts of the collection process to an external entity. A PPSC team will continue to administer the program and will be responsible for coordinating efforts with partner organizations.

In 2013–2014, the program recovered a total of almost \$4.6 million, and 2,958 new files were opened. These new files represent \$27 million in fines, bringing the total of outstanding fines to almost \$147 million.

FEDERAL-PROVINCIAL-TERRITORIAL NATIONAL PROSECUTION AWARDS

The Federal-Provincial-Territorial (FPT) Heads of Prosecutions Committee has instituted a national awards program to honour professional excellence, exemplary service, and outstanding achievements among prosecutors.

On October 31, 2013, two PPSC prosecutors were recognized by the Committee for their contributions to advancing and promoting prosecutions within the Canadian criminal justice system:

- **Mr. Erick Bouchard**, a PPSC prosecutor located in Quebec City, was awarded the Courage and Perseverance Award 2013. Mr. Bouchard, a tetraplegic, did not let his physical handicap deter him from pursuing a law degree and a challenging legal career.

- **Mr. Yvan Poulin**, who worked as a prosecutor in the PPSC's Montreal office until his appointment as a judge of the Court of Quebec in September 2013, was awarded the Commitment to Justice Award 2013. Mr. Poulin was recognized for his professional excellence and service towards the community at large.

TRAINING

SCHOOL FOR PROSECUTORS

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

The School's 2013 course offerings included two intensive one-week training courses; one for junior counsel, the other for senior counsel, and a rigorous three-day legal writing course.

The Level One (*Prosecution Fundamentals*) course focused on criminal law topics of particular interest to PPSC prosecutors, including the role of the Crown, expert evidence, witness and trial preparation, and ethical issues in practice. Fifty prosecutors were trained.

The Level Two (*Advanced Issues for Prosecutors*) course trained 50 prosecutors, with a focus on wiretap and complex case issues.

The Written Advocacy course helped 36 counsel perfect their factum-writing skills.

An oral advocacy course has been piloted in British Columbia and is expected to be rolled out nationally during 2015–2016.

FEDERAL PROSECUTOR DEVELOPMENT PROGRAM

In May 2013, the PPSC's Federal Prosecutor Development Program (FPDP) was launched. The FPDP is a comprehensive program of training, mentoring, and on-the-job activities, designed to provide prosecutors with the opportunity to advance from the developmental level (LP-01) to the working level (LP-02) through specific training designed to help them gain the knowledge, experience and competencies



School for Prosecutors: Prosecution Fundamentals



School for Prosecutors: Advanced Issues for Prosecutors

needed to meet the level requirements. Forty-four prosecutors were placed in the program's initial intake.

KNOWLEDGE MANAGEMENT

To enable legal professionals to share information and learn from each other's experience, the PPSC has developed a knowledge management (KM) database. The KM site brings together information supplied by users throughout the PPSC, such as facts, policy documents, and training materials.

In 2013–2014, a number of additional types of information were added to the site, including

training materials and material developed for the School for Prosecutors. A specialized sub-site for PPSC paralegals was launched, and two new regional sites will also soon be launched, enabling prosecutors in the regions to access specialized information relevant to particular regional concerns.

OUTREACH

Throughout the year, the PPSC continued to support and advance external relations with key national and international stakeholders involved in the law.

On June 11, 2013, senior PPSC officials met with the Federation of Law Societies of Canada to discuss issues of mutual interest, including national mobility and accreditation of PPSC courses for continuing professional development.

In September 2013, PPSC officials, together with officials from the RCMP and non-governmental organizations, met with the United Nations officials responsible for the UN *Convention on the Elimination of all Forms of Discrimination Against Women* to report on Canada's efforts with respect to violence against missing and murdered Aboriginal women.

In October 2013, the DPP and PPSC senior officials, including François Lacasse, Vice President of *l'Association internationale des procureurs et poursuivants francophones*, met the Attorney General for Guatemala, Ms. Claudia Paz y Paz, at a luncheon hosted by the Department of Justice Canada.

MEETINGS WITH FOREIGN DELEGATIONS

In April 2013, a delegation of senior officials from the recently created Kenyan Office of the Director of Public Prosecutions visited PPSC Headquarters in Ottawa to learn about the PPSC's approach to benchmarking and the organizational structure of the PPSC.

On July 3, 2013, PPSC senior officials met with officials from the Ministry of Supervision of the People's Republic of China to discuss the role of Canadian prosecutors and, in particular, the application of the law with respect to fraud offences against government.

In September 2013, a delegation of Palestinian prosecutors participating in a prosecution research and technical mission to Canada was received by the Department of Justice Canada. During the course of the delegation's visit, PPSC officials delivered presentations on the roles and functions of the PPSC as well as other issues related to the prosecution of criminal and regulatory offences.

On October 24, 2013, a delegation from the Attorney General's Chambers in Singapore visited the PPSC's Ontario Regional Office in Toronto to learn about the PPSC's approach to knowledge management.

In January 2014, a visiting delegation of representatives from various legal institutions from the Republic of Mongolia (including the judiciary, Parliament, law associations and the National Police Agency) headed by the Mongolian Minister of Justice met with PPSC senior officials, including the DPP, as part of the delegation's Knowledge Sharing Study Tour.

Also in January 2014, a delegation of members of the French National Assembly visited Ottawa and met with officials from the PPSC and the Department of Justice Canada to discuss the division of responsibilities between the federal and provincial jurisdictions in the area of prosecutions and to learn about diversion and alternatives to sentencing.

In March 2014, a delegation from the *Conseil supérieur de la magistrature* of France visited PPSC Headquarters and met with the DPP and senior PPSC officials to discuss prosecutor recruitment, retention, training and discipline.

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 2013. The first was held in Edmonton in May, and was organized jointly with the Alberta Crown Prosecution Service. The second, held in Fredericton in October, was organized jointly with the New Brunswick Public Prosecution Services and featured the National Prosecution Awards Ceremony.

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 Eighteenth Annual Conference and General Meeting of the IAP in Moscow, Russia in September 2013, where the DPP chaired the final plenary session to review the conference theme, “the Prosecutor and the Rule of Law,” and how its aims had been achieved.

The DPP is an elected member of the Executive Committee of the IAP and 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 continued its contribution to the development 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 2013–2014 included:

- completing the consolidation of the Headquarters office in the National Capital Region;
- completing the relocation of the National Capital Regional Office, the Nunavut Regional Office, and the PPSC’s Calgary office; and
- through a memorandum of understanding with the Centre for Integrity, Values and Conflict Resolution at Aboriginal Affairs and Northern Development Canada, providing informal conflict management services that allow staff to address conflicts in an informal and collaborative manner.

R. v. Jason Croft, Jonathan Aldaba, and Steven Whipple

Jason Croft, Jonathan Aldaba, and Steven Whipple were charged with conspiracy to traffic methamphetamine, possession for the purpose of trafficking methamphetamine, and trafficking methamphetamine. They were alleged to have conspired to secure wholesale quantities of methamphetamine in B.C. to traffic in Edmonton. There were complex pre-trial motions including constitutional challenges and numerous Charter motions related to a failure to retain drafts of affidavits filed in support of wiretap authorization (WT affidavit), warrantless seizures of telephone subscriber information, an arrest on private property without a Feeney warrant, compliance with wiretap authorization conditions (e.g. live monitoring, solicitor-client prohibition, live visual surveillance in custody facilities), searches of cellular telephones incident to arrest, standing to excise information from a WT affidavit seized contrary to a third party’s Charter rights, and the use of a general warrant to delay implementation of s.10 of the Charter in vehicle stops. All of these motions have been litigated in the course of proceedings. A jury trial is now in progress.

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.

CORPORATE COUNSEL

The Corporate Counsel provides legal services to management in various areas of the law including administration, labour, and access to information and privacy. The Corporate Counsel is also responsible for ensuring oversight of the *Values and Ethics Code for the Public Sector* within the PPSC. In this capacity, the Corporate Counsel responds to inquiries under the *Values and Ethics Code for the Public Sector*, the *Treasury Board Policy on Conflict of Interest and Post-Employment* and the *Code of Conduct of the PPSC*. In addition, as Designated Representative for Political Activities, the Corporate Counsel responds to enquiries regarding political activities.

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 2013–2014, in addition to fulfilling its ongoing commitments, the Directorate:

- advanced discussions with central agencies on long-term funding and cost recovery requirements;
- realized savings through the centralization and standardization of processes and services that resulted in the creation of a centralized acquisition office, and a reduction in travel costs; and

- transformed business processes to implement government policies and reporting requirements for travel, hospitality, conference, and events expenditures and to pay Crown agents' fees and disbursements directly and to recover costs from government departments and agencies for the provision of prosecution services.

HUMAN RESOURCES

In 2013–2014, the Human Resources Directorate (HRD) repatriated the majority of the HR services previously provided to the PPSC by the Department of Justice Canada. An innovative HR service delivery model was introduced, which provides for a more cohesive approach to the planning and delivery of HR services within the PPSC.

The Disability Management Initiative was launched to address absences from work as a result of illness, injury, or disability, and to prevent the risks that cause these absences. The initiative clearly describes the roles and responsibilities of employees and managers and emphasizes communication between the employee, the manager and any other relevant stakeholders.

To support resourcing activities, the HRD implemented a national fast track service to manage large administrative staffing actions. In response to the results of the Public Service Commission staffing audit as well as the results of the 2012–2013 Departmental Staffing Accountability Report, the resourcing team reviewed all mandatory staffing policies, and a staffing monitoring framework was approved and implemented.

HRD supported the implementation of the new Treasury Board Directive on Performance Management by ensuring the establishment of an organizational review committee to oversee the implementation of the Directive, the completion of the mandatory Canada School of Public Service training by PPSC managers and the provision of customized training to managers and employees on the new directive and PPSC processes.

INFORMATION MANAGEMENT AND TECHNOLOGY

The Information Management and Technology Directorate (IMTD) is responsible for managing and overseeing the delivery of library, information management (IM), information technology (IT), and application services to PPSC staff. These services are provided by the Department of Justice Canada and by Shared Services Canada in most regions of Canada through partnership agreements. In 2013–2014, IMTD focused on the following priorities:

- providing significant IM and IT support for Headquarters and regional office relocations;
- providing training and support to PPSC staff for the migration to a new records management system;
- continuing a number of internal IM and IT initiatives in support of the core function of the PPSC from the previous year; and
- partnering with the Department of Justice on Government of Canada-wide projects, including the Windows 7 migration and the E-mail Transformation Initiative.

INTERNAL AUDIT

The Internal Audit Division (IAD) 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.

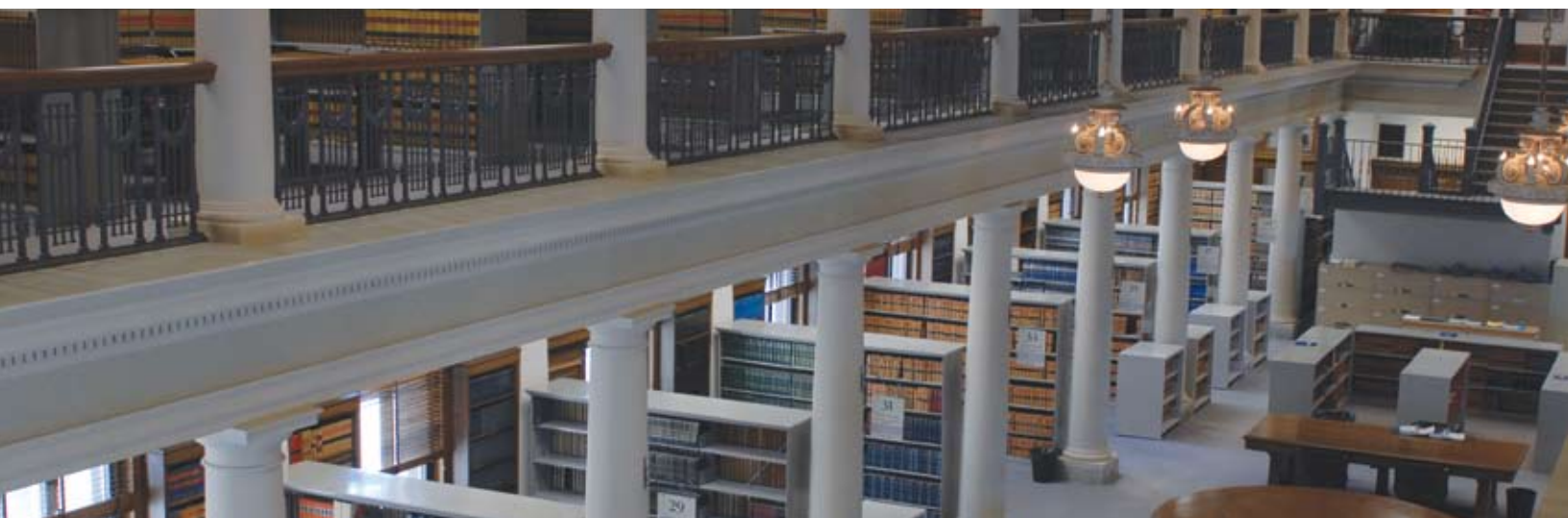
In 2013–2014, the PPSC published two internal audit reports: the *Audit of the Atlantic Regional Office* and the *Audit of Learning, Training and Professional Development*. The IAD also conducted a preliminary survey of security and two follow-up reviews of management action plans addressing prior audit recommendations. The DAC, which is chaired by the DPP, met three times during the year and reviewed a number of audit-related items including values and ethics, risk management, internal controls, governance, planning, and financial reporting.

The effectiveness of the internal audit function was further demonstrated this year by an overall opinion of “Generally Conforms” (the highest rating possible) as a result of an External Practice Inspection by a qualified independent external reviewer.

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 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 2013–2014, the PPSC responded to 82 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*, and carries out training and education activities to raise awareness among PPSC employees and Crown agents about their roles and responsibilities under these acts. During 2013–2014, the ATIP Office processed 65 requests under the *Access to Information Act* and the *Privacy Act*, representing an increase of 44% in the number of ATIP requests processed over the previous fiscal year. The Office also responded to 58 ATIP consultations from other government departments, and completed PPSC-specific manuals of internal procedures for processing requests under both the *Access to Information Act* and the *Privacy Act*.

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

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

The Division coordinates the preparation of the PPSC's annual estimates reports to Parliament (*Report on Plans and Priorities* and *Departmental Performance Report*).

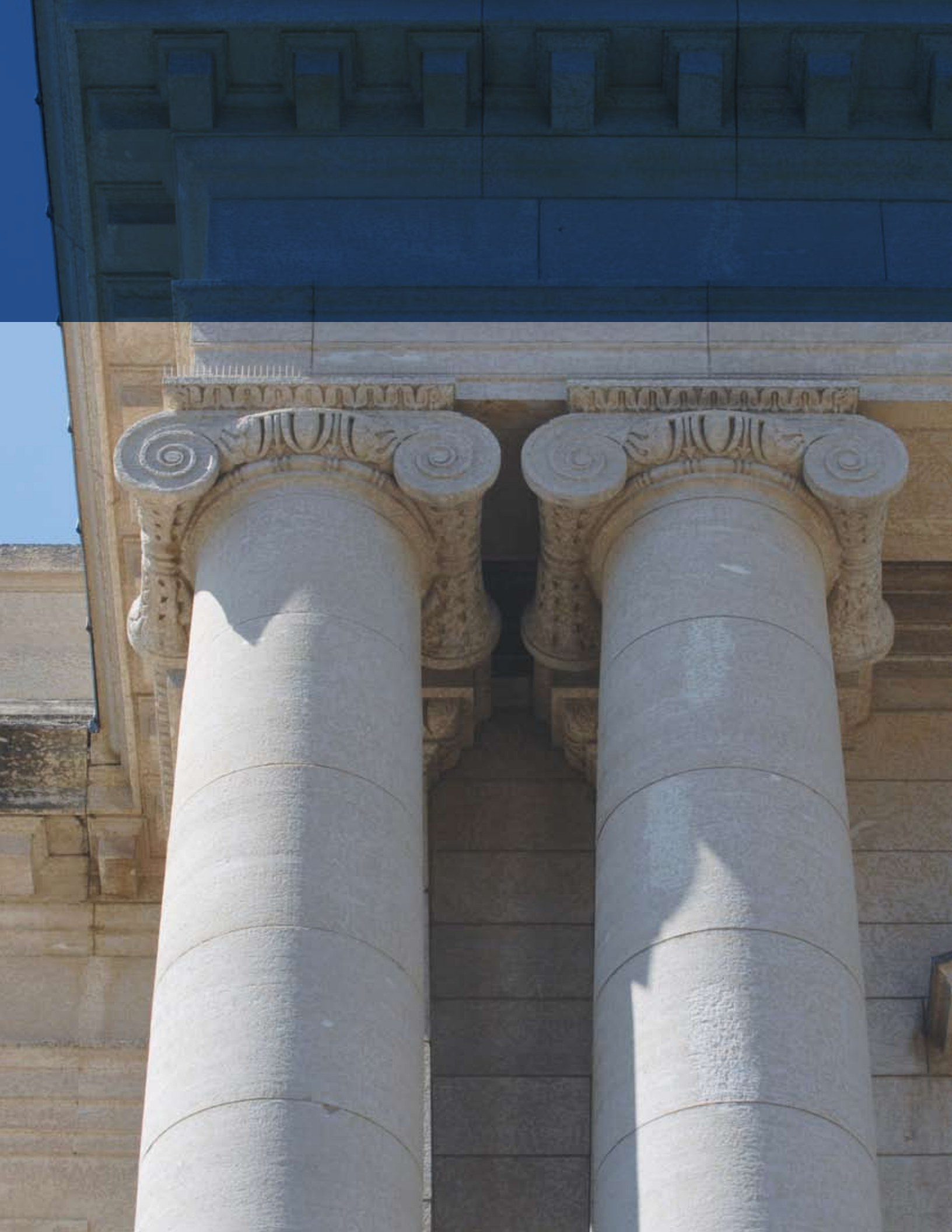
In 2013–2014, the Division contributed to annual performance reports on horizontal initiatives in which the PPSC participates, including the National Anti-Drug Strategy (NADS), the Anti-Money Laundering/Anti-Terrorist Financing (AML-ATF) Regime, the Integrated Proceeds of Crime (IPOC) initiative, as well as the Lawful Access Initiative.

The Division's Research and Evaluation Unit directed the PPSC's participation in a Treasury Board-mandated horizontal evaluation of the Measures Against Contraband Tobacco. It also led the development of performance measurement strategies to determine the extent to which the PPSC is meeting its service commitments to investigative agencies, and to more accurately portray the extent to which the PPSC is meeting international commitments regarding anti-money laundering and anti-terrorist financing.

R. v. Nazir Karigar

Nazir Karigar was convicted in 2013, following a trial, of agreeing to pay a bribe to foreign public officials to secure a contract on behalf of Cryptometrics, an Ottawa-based software company.

Mr. Karigar approached Cryptometrics in 2005 informing the company of an Air India contract for biometrics that he could help them get, based on his contacts in India. Mr. Karigar made several introductions between the company and senior Air India officials and provided what appeared to be inside information on the contracting process. By 2007, payments of \$200,000 and \$250,000 were provided to Mr. Karigar on the understanding that this money would be used to bribe Indian officials in order to secure the contract for Cryptometrics. There is no evidence that Mr. Karigar ultimately paid any bribes to Indian officials and the contract was never awarded. All that is required to prove a violation of the CFPOA is an agreement between two or more individuals to offer a bribe.



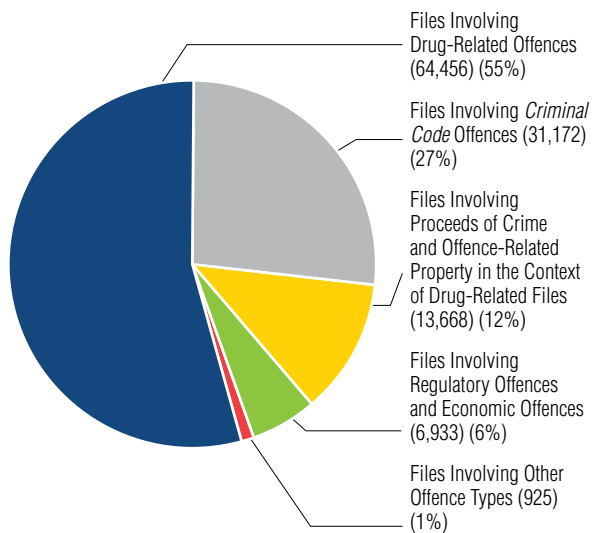
REGIONAL PROFILES

3

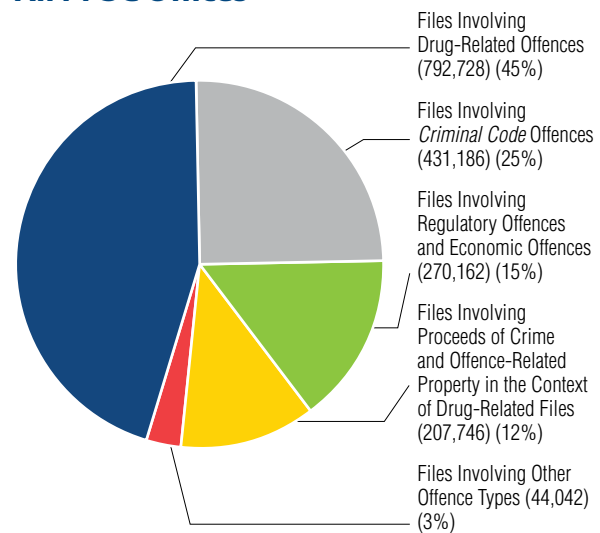
OVERVIEW

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

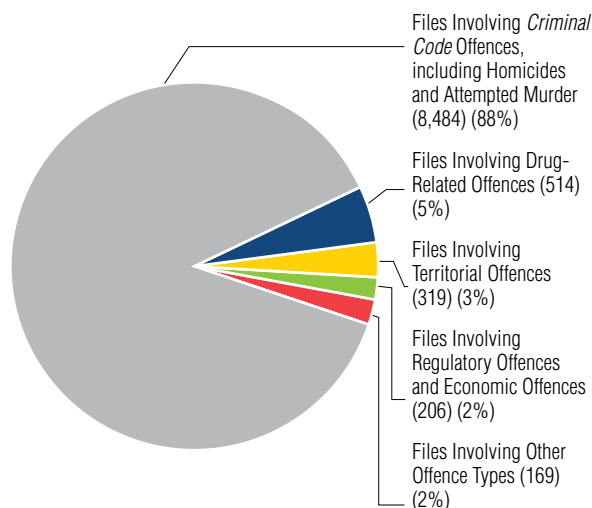
Files by Offence Type – All PPSC Offices



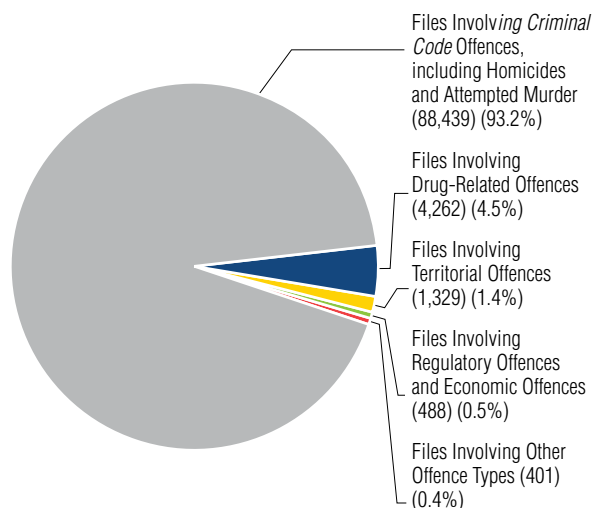
Time Spent by Offence Type – All PPSC Offices



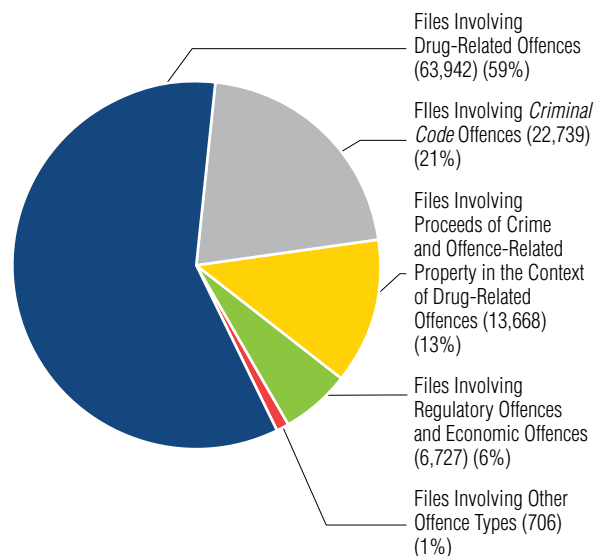
Files by Offence Type – Regional Offices Located in the Territories



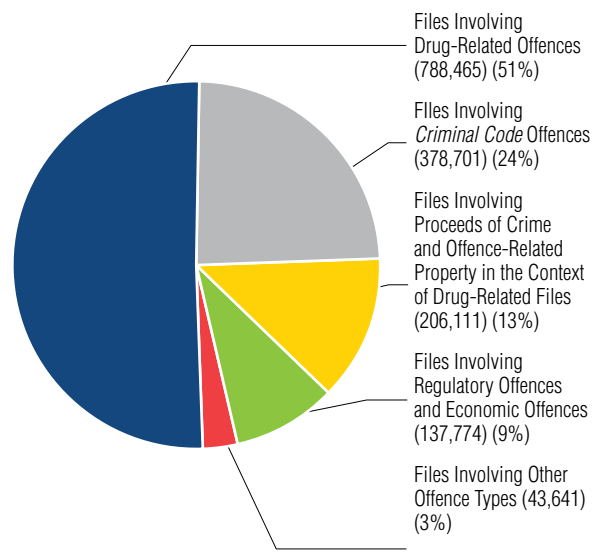
Time Spent by Offence Type – Regional Offices Located in the Territories



Files by Offence Type – Regional Offices Located in the Provinces



Time Spent by Offence Type – Regional Offices Located in the Provinces



R. v. Chehil and *R. v. Mackenzie*

R. v. Chehil and *R. v. Mackenzie* were two cases dealing with the use of drug detector dogs and the standard of reasonable suspicion. *Chehil* involved the use of a drug detector dog at an airport, while *Mackenzie* involved a drug detector dog used by officers during a traffic patrol. The two cases were argued by the PPSC in the Supreme Court of Canada. The Supreme Court found that the police had met the required legal standard of reasonable suspicion to justify the use of drug detector dogs. These decisions provide further guidance to police and prosecutors regarding the principles underlying the standard of reasonable suspicion.

ALBERTA

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|-----|
| Employees | 115 |
| Lawyers (LP) | 58 |
| Law Management (LC) | 2 |
| Paralegals (EC) | 14 |
| Program and Administrative Services | 41 |

The Alberta Regional Office serves all of Alberta, with offices in Edmonton and in Calgary. The office of the Chief Federal Prosecutor and core corporate support is located in Edmonton. Approximately 60% of the regional PPSC staff are in Edmonton and 40% in Calgary.

Each office handles a full range of federal prosecution cases, including drug, organized crime, and regulatory and economic crime prosecutions, arising in the two major urban centres, as well as complex cases at circuit court points outside Edmonton and Calgary. Other general federal prosecution work outside Edmonton and Calgary (primarily drug prosecutions) is handled by the complement of approximately 29 standing agents.

There are centres of expertise in each office; for example, integrated market enforcement and major tax evasion files are handled in Calgary, while significant regulatory and environmental protection cases are handled in Edmonton. Agent supervision for the whole regional office is managed from Edmonton.

The Alberta Regional Office worked with specialized federal policing and investigative agencies to improve case management through pre-charge consultation, case viability assessment, and the use of the Report to Crown Counsel guideline for case preparation and management. The newest initiative for 2014 was the regional office's full integration of PRISM (Prosecutor Information System Manager), the Provincial Crown on-line case management system, and the integrated Court Case Management system spearheaded by the Provincial Court of Alberta. Other innovative work being done in collaboration with the provincial

Department of Justice included completion of a modernized major-minor prosecution agreement and development of electronic court brief and case management systems. Internally, work continued on the development of a system for full electronic case presentation and evidence presentation capability.

ATLANTIC

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 70 |
| Lawyers (LP) | 43 |
| Law Management (LC) | 2 |
| Paralegals (EC) | 2 |
| Program and Administrative Services | 23 |

The Atlantic Regional Office (ARO) is the PPSC presence in the Atlantic provinces. The regional headquarters is in Halifax, with local offices in Moncton and St. John's. Prince Edward Island is served from Halifax and by locally situated Crown agents.

Prosecutors in the ARO handle a wide variety of prosecution files. Work is divided among seven teams: three general prosecutions teams (one in each office), regulatory prosecutions, economic crime, agent supervision, and proceeds of crime/anti-organized crime. The general prosecutions teams were responsible for files such as Project H-Tort, which brought together several related investigations under the provisions of the *Medical Marihuana Access Regulations*.

R. v. Clarke, Colpitts and Potter continued to be the focus of the economic crime team. This prosecution is expected to go to trial in early 2015. Operation H-Timber was a large-scale drug distribution investigation and prosecution. Significant assets have been restrained and CDSA and proceeds of crime charges have been laid. *R. v. Logan* and *R. v. Kelly Cove* were two environmental prosecutions conducted by the regulatory team. *Logan* dealt with the illegal export of narwhal tusks, while *Kelly Cove* involved the use of illegal products in the commercial salmon fishery.

Increasingly, ARO prosecutors were called upon to provide advice and prosecution services in complex matters that involved sophisticated investigation techniques, frequently with many accused individuals. Many prosecutions involved cross border (provincial and international) transactions, which necessitated cooperation between various government agencies. The ARO noticed increasing use by accused individuals of leading edge technology, which challenged currently-accepted legal precedent.

The ARO has embarked upon a series of initiatives to allow regional prosecutors to perform their prosecutorial functions more effectively and efficiently. Agreements with the provincial prosecution services have been entered into to address procedural efficiencies. As well, the ARO has worked with investigative agencies to standardize disclosure and adopt protocols for dealing with electronic disclosure.

BRITISH COLUMBIA

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|-----|
| Employees | 116 |
| Lawyers (LP) | 70 |
| Law Management (LC) | 2 |
| Paralegals (EC) | 4 |
| Program and Administrative Services | 40 |

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

The work of the BCRO focuses primarily on drug prosecutions, economic crimes, and crimes which could have a detrimental effect on the environment or the health and safety of Canadians. Many of these cases arise outside the Lower Mainland of British Columbia, and counsel traveling to court locations across the province logged more than 600 nights away from home in 2013–2014.

The BCRO worked closely with the RCMP and the provincial prosecutors in the Criminal Justice

Branch to develop common standards for the preparation of materials needed for court. Training and development of counsel continued to be a priority. Training was also conducted with the Criminal Justice Branch.

Many of the BCRO's files in 2013–2014 continued to be major drug files involving organized crime. This included an attempt to buy \$4 million worth of cocaine from an undercover RCMP officer and the importation of 100 kilograms of cocaine hidden in farming equipment. Counsel prosecuted more than 100 files related to marihuana grow operations that were discovered throughout northern British Columbia. Charges were approved in relation to a plan to set off explosives during the July 1st Canada Day celebrations at the British Columbia Legislature. There were a number of prosecutions of individuals who were alleged to have provided courses that instructed people on ways to evade the payment of taxes. On the environmental front, a major British Columbia city was convicted for illegally dumping untreated sewage in the water system, and a mining company was convicted in a similar case.

MANITOBA

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 44 |
| Lawyers (LP) | 22 |
| Law Management (LC) | 1 |
| Paralegals (EC) | 3 |
| Program and Administrative Services | 18 |

The Manitoba Regional Office (MRO), located in Winnipeg, provides services throughout the province. This includes provincial court in over 60 communities, superior court in six cities and towns, and the Court of Appeal in Winnipeg.

Approximately 85% of the files prosecuted in the MRO in 2013–2014 related to CDSA matters, ranging from low complexity matters to complex prosecutions involving criminal organizations.

Approximately 15% of the files involved prosecutions relating to tax evasion, copyright

infringement, environmental offences and offences relating to the health and safety of Canadians.

Police investigations targeting criminal organizations increased, as did the sophistication of investigations. Examples of this kind of case included Project Sideshow, a Winnipeg Police Services investigation lasting over a year targeting traffickers of large amounts of cocaine, which resulted in the arrest of 20 individuals from Winnipeg, Toronto, and Vancouver. As of May 2014, the resulting prosecutions were in the early stages.

Project Deplete, an eight-month investigation by the Manitoba Integrated Organized Crime Task Force, resulted in the arrest and conviction of 15 cocaine traffickers, with sentences ranging from three years to nine years.

The MRO remained committed to education related to the criminal justice system. PPSC counsel conducted police training, training at the Annual Crown Defence Conference, taught at two universities in Winnipeg, and made presentations at judicial training seminars.

NATIONAL CAPITAL

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 77 |
| Lawyers (LP) | 44 |
| Law Management (LC) | 2 |
| Paralegals (EC) | 11 |
| Program and Administrative Services | 20 |

The National Capital Regional Office (NCRO) is situated in Ottawa and is responsible for all federal prosecutions in eastern Ontario, northern Ontario, and four judicial districts in western Quebec. The members of the Competition Law Section of the NCRO prosecute violations of the *Competition Act* across Canada. Its Agent Supervision Unit supervises the work of 46 agents in 25 law firms within the region.

The majority of prosecution files in the NCRO related to drug prosecutions. Major files focussed

on criminal organizations engaged in trafficking significant quantities of drugs. Street-level trafficking offences continued to be the focus of many municipal police services, resulting in a large number of file referrals.

While the number of regulatory prosecution referrals has decreased, the complexity of these matters remains high, as the investigative agencies focussed their resources on the more serious offences. The provision of pre-charge investigative advice and legal training to various investigative agencies represented a significant part of the NCRO's work.

The NCRO continued to work closely with its partners in the criminal justice system in enhancing the use of specialty courts such as the Drug Treatment Court and Mental Health Court and worked towards the development of a special court to address the circumstances of Aboriginal offenders. Members of the NCRO met regularly with representatives of the Ottawa Crown Attorney's Office and the Ottawa Police Service to develop improved methods for fulfilling the PPSC's prosecution mandate.

NORTHWEST TERRITORIES

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 53 |
| Lawyers (LP) | 25 |
| Law Management (LC) | 1 |
| Paralegals (EC) | 2 |
| Program and Administrative Services | 25 |

The Northwest Territories Regional Office (NWTRO) is located in Yellowknife and serves the entire territory, an area of over one million square kilometres. Communities throughout the territory are served by circuit in both Territorial Court and Supreme Court, and prosecutors travel by air to some 20 communities and by road to one (Behchoko).

In 2013–2014, there were 36 Supreme Court jury trials in 8 communities, ranging from Tuktoyaktuk in the north to Fort Smith in the south. There were 90 Territorial Court circuits outside of Yellowknife,

and 75 weeks of Territorial Court in Yellowknife. The Domestic Violence Treatment Options (DVTO) Court sat 23 times in Yellowknife, and as of April 1st, 2013, it also sat in Behchoko.

The DVTO Court enables individuals who have engaged in a relatively low level of violent behaviour toward a partner, and who accept responsibility for their actions, to receive support and counselling through a specialized DVTO program known as *Planning Action Responsibly Toward Non-Violent Empowered Relationships* (PARTNER). The program engages both men and women, and provides intervention by specialists who aim to help improve spousal relationships over the long term. The court bases its approach on principles of restorative justice rather than retribution and punishment. The DVTO Court has been in operation since 2011, and to date 33 people (26 males and 7 females) have successfully completed the program. A small number of Behchoko residents with domestic violence charges have been attending the PARTNER program sessions in Yellowknife, although they attend court sessions in Behchoko. The expansion of the program into other communities is being reviewed.

The success of the DVTO Court has prompted work towards the creation of a Wellness Court. This court will handle offenders with mental health and addictions issues. It is expected that a Wellness Court will be operational in Yellowknife in late 2014.

The NWTRO offered training to its prosecutors and Crown Witness Coordinators in Fixed Wing

Aircraft Safety, Wilderness First Aid, and Arctic Survival, in intensive sessions conducted over three days and including an overnight wilderness component. Lawyers also received separate safety training in winter driving and skid control. Lawyers received media training, and lawyers and Crown Witness Coordinators received training on prosecutions involving child and vulnerable witnesses.

All staff had vicarious trauma debriefing sessions available to them. 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. It can affect all staff, whether it is the Crown Witness Coordinator or prosecutor who interacts directly with the witness, or the assistant who opens the file and observes the often disturbing photographs, or who later prepares the disclosure materials.

The NWTRO has dedicated resources to work on high risk and dangerous offender files. The team consists of a dedicated paralegal and a general counsel who review all relevant files to determine if an offender should be flagged in the National Flagging System and whether section 810.2 of the *Criminal Code* recognizances should be sought. Within the last three years, four individuals have been declared a dangerous offender in the NWT, each receiving an indeterminate sentence.

The NWTRO continued to partner with the University of Victoria Law School Co-op Program, and offered work placements to participating students. Three students from this program

Robert Bonnetrouge

Within the last three years, four individuals have been declared dangerous offenders in the NWT, each receiving an indeterminate sentence.

Robert Bonnetrouge was declared a dangerous offender in November 2013 and sentenced to an indeterminate sentence of imprisonment following his conviction after trial by jury for two counts of sexual assault and two counts of unlawful confinement. It was determined that there was no evidence to find a reasonable expectation that within a determined period of time he would no longer represent a danger to the public.

Mr. Bonnetrouge has appealed the decision.

articled in the North, two with the PPSC and one with the Department Justice Canada, and two are now lawyers working for the PPSC – one in the NWTRO and one in the Nunavut Kitikmeot office based in Yellowknife.

NUNAVUT

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 46 |
| Lawyers (LP) | 19 |
| Law Management (LC) | 1 |
| Paralegals (EC) | 1 |
| Program and Administrative Services | 25 |

With a regional headquarters in Iqaluit and a local office in Yellowknife (serving the Kitikmeot region of Nunavut), the Nunavut Regional Office (NRO) oversees prosecutions in Canada's largest and most northerly territory.

The majority of prosecutions in Nunavut were for offences under the *Criminal Code*, with some regulatory, drug, and territorial offence prosecutions.

Crimes of violence, from assaults to homicides, continued to present the greatest challenge to the NRO. Fewer criminal charges were laid in the territory this year compared to last, but the severity of the files remained far above the national average. Vicarious trauma counselling was available to all NRO staff to help them deal with exposure to traumatic events.

The Kitikmeot region of Nunavut is benefiting from the local office in Yellowknife, which has made it easier to maintain effective relationships with policing organizations and community justice committees and allowed for more manageable court dockets and a greater ability to support potential witnesses.

The PPSC continued its work with the Rankin Inlet Spousal Assault Program, a program in which suitable offenders charged with low-level spousal assaults complete an intensive counselling

program. Offenders learn to stop using violence and improve their relationships with their spouses and families.

ONTARIO

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|-----|
| Employees | 186 |
| Lawyers (LP) | 119 |
| Law Management (LC) | 3 |
| Paralegals (EC) | 21 |
| Program and Administrative Services | 43 |

The Ontario Regional Office (ORO) is headquartered in Toronto, with local offices in Brampton, Kitchener, and London. It serves a geographical area stretching from Windsor in the west to Trenton in the east, and northward to communities bounded by Georgian Bay and the districts bordering the Lindsay and Peterborough centres.

The region primarily handled files involving prohibited drugs. It also prosecuted various federal regulatory offences, ranging from environmental offences to bankruptcy and tax filing cases. The office also worked on significant anti-terrorism and tax evasion files. In 2013–2014, these included *R. v. Hersi*, an anti-terrorism prosecution, the *Picard* case, which involved charges under the *Assisted Human Reproduction Act*, and criminal organization charges arising from Project Ink, which involved a scheme to import a tonne of cocaine per month into Canada.

During 2013–2014, the office's caseload comprised 29% of the national inventory. At all complexity levels, more than 40% of its files were not concluded in the fiscal year. To reduce the time to bring prosecutions to a conclusion, the ORO has been working closely with law enforcement to improve the form and content of disclosure packages, and mechanisms for their production to the ORO.

QUEBEC

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 84 |
| Lawyers (LP) | 49 |
| Law Management (LC) | 2 |
| Paralegals (EC) | 10 |
| Program and Administrative Services | 23 |

The Quebec Regional Office (QRO) is located in Montreal, and includes 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 all of Quebec's judicial districts except those of the Outaouais and the Pontiac.

Prosecutors in the QRO dealt with a number of complex and high-profile prosecutions relating to organized crime, economic crime, money laundering, tax evasion, and national and border security. In 2013–2014, 378 of the office's 1,470 files were of high complexity.

Prosecutors provided advice to investigative agencies on capital market fraud offences, in addition to conducting the related prosecutions. They also dealt with prosecutions under the *Fisheries Act* that raised complex issues 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, drug offences, and organized crime.

The QRO continued to work with Quebec's Director of Criminal and Penal Prosecutions in the prosecution of complex murder files, organized crime offences, and economic crime offences.

SASKATCHEWAN

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 27 |
| Lawyers (LP) | 15 |
| Law Management (LC) | 1 |
| Paralegals (EC) | 2 |
| Program and Administrative Services | 9 |

Saskatoon is the headquarters for the Saskatchewan Regional Office (SRO) with staff also located in Regina at the RCMP Integrated Proceeds of Crime unit. There are 80 court locations in Saskatchewan, and the SRO relies on standing agents to cover many of these courts.

According to Statistics Canada, in 2012 Saskatchewan had the highest crime rate of all provinces. Regina and Saskatoon had the second and third highest crime rates of metropolitan cities in Canada. Drug, proceeds of crime, and firearms offences were the predominant prosecutions in the SRO, with file numbers on the increase in northern and rural communities. Police investigative units continued to grow outside the two main urban centres, providing more work to the SRO.

The major file trend was gun violence associated with gang drug activity throughout the province. A second trend was the infiltration of transient drug gangs from other provinces with control of the trade and workers being directed from outside Saskatchewan. This makes both investigation and prosecution more costly and time-consuming.

The SRO prosecuted files in all areas of fiscal fraud such as income tax and GST evasion, with penalties ranging from fines to penitentiary sentences. Violations of federal regulatory statutes, including worker safety and environmental protection, increased for the SRO. The SRO also prosecuted offences occurring at the border in conjunction with the CBSA, and has seen an increase in firearms possession cases.

YUKON

| EMPLOYEE DISTRIBUTION | |
|-------------------------------------|----|
| Employees | 32 |
| Lawyers (LP) | 12 |
| Law Management (LC) | 1 |
| Paralegals (EC) | 2 |
| Program and Administrative Services | 17 |

The Yukon Regional Office (YRO) is located in the territorial capital of Whitehorse. PPSC prosecutors in the YRO are responsible for *Criminal Code*, CDSA, and all other federal prosecutions within the Yukon Territory. The YRO covers 13 circuit court locations outside of Whitehorse, on an average of six times to each location each year, as well as the daily court in Whitehorse. In addition to the six regularly scheduled circuit courts, there are special sitting dates set as required for complex and lengthy matters. The Supreme Court sits in each community on a special basis, depending on demand. Prosecutors travel by road to all locations, except Old Crow, which can only be accessed by air. The circuits require prosecutors and Crown Witness Coordinators to travel away from home for an average of 4 days for each of the 13 circuits.

The YRO opened 1,694 new files in 2013–2014 and 92.8% of them involved *Criminal Code* offences. According to Statistics Canada, in 2012 the Yukon had the third highest Violent CSI (Crime Severity Index) in Canada. There was a significant volume of spousal violence and sexual offence files. Approximately 4.9% of the files were CDSA matters and 3% involved youth.

As a large number of offences in the YRO are related to spousal violence, the YRO continued to partner with the courts, the territorial department of justice, and legal aid in the operation of the DVTO Court, which is available in Whitehorse and in the community of Watson Lake. This Court provides a treatment-based approach to spousal assault matters. 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). In addition, the YRO partnered with the M Division of the RCMP and the territorial department of justice in organizing the First Annual Restorative Justice Conference in Whitehorse with participation from all of the 14 Yukon First Nations.

Because of the high rate of violent offending in Yukon, YRO staff are often exposed to difficult and sometimes traumatising situations. The YRO has a vicarious trauma counsellor on contract to provide mandatory vicarious trauma educational sessions to all new staff and ongoing vicarious trauma counselling to staff who request it. The counselling is done on a confidential basis and available to all staff in the office.

The YRO now has a paralegal dedicated to high-risk offenders to ensure that the office is an active partner in the national flagging of high-risk offenders, and that the office is adequately supported on all appropriate long-term offender and dangerous offender matters, as well as in the pursuit of judicial recognizances. With the high number of violent and sexual offences in the territory, these applications require dedicated resources.

The YRO prosecuted a particularly complicated first degree homicide file in 2013–2014, which took three months before a jury due to numerous experts and the presentation of a Mr. Big operation (an operation in which an undercover police officer poses as the leader of a criminal organization to encourage a confession). This matter resulted in a conviction on the charge of first-degree murder. The co-accused had been prosecuted successfully the previous year during a trial of similar duration.



CORPORATE PRIORITIES

4

USING RESOURCES EFFECTIVELY

The PPSC is committed to maximizing its effectiveness as a prosecution service. Sustainable service delivery is contingent on the availability of reliable performance information to allow the PPSC to credibly report on its activities and results, as well as to support planning, decision-making, operational goals, and funding strategies.

The PPSC optimized the approaches it uses to align resources to case demands through the refinement of its assessment of file complexity, regular reviews of file assignment based on counsel level, and a benchmarking pilot project.

As of April 1st, 2013, the PPSC implemented a revised complexity assessment grid for litigation files. It retains the low, medium, and high complexity levels, but the mega file level has been collapsed into the high-complexity level to simplify file categorization. Complexity levels help to ensure that appropriate resources are assigned to the files and also assist the PPSC in measuring overall workload and level of effort for litigation files. A complexity level can be assigned to each file when it is opened, and can be modified as the file progresses, if required. Files can only be assigned a high level of complexity in consultation with the litigation team leader or manager.

The PPSC continues to improve the capabilities of internal systems to supply the required data to support performance measurement relating to internal and legal services, including the development of benchmarks for high-

volume prosecution types. This year, the PPSC successfully completed a pilot project which confirmed the validity of using benchmarks for this type of file. Chief Federal Prosecutors have been provided with details on their low complexity drug files which do not meet the norm and have been tasked with reporting on the underlying causes and resulting lessons learned on a regular basis. During 2014–2015, the PPSC plans to expand the use of benchmarks to additional file profiles.

EMPLOYEE TRAINING AND DEVELOPMENT

The PPSC recognizes the need to invest in its employees so that it is able to effectively tackle the complex challenges of today's prosecutions.

In 2013–2014, the PPSC conducted an audit of learning, training and professional development in the organization, and developed a management action plan to clarify roles and improve processes and coordination to ensure a better return on investment. Steps were taken to increase the use of technologies such as videoconferencing and WebEx to provide access to learning opportunities throughout the organization, including in regional offices and smaller local offices.

The PPSC also launched the Federal Prosecutor Development Program, a comprehensive program of training, mentoring, and on-the-job activities for new prosecutors. Forty-four prosecutors were placed in the program's initial intake. In addition, the PPSC created a major case checklist

for paralegals, to enable paralegals to follow consistent best practices when dealing with certain types of files.

WORKING COLLABORATIVELY WITH INVESTIGATIVE AGENCIES

To be effective and efficient as a national prosecution service, the PPSC must work closely with police and federal investigative agencies while respecting the independence of these agencies and maintaining its own independence. The PPSC continues to provide police and investigative agencies with prosecution-related advice to promote the use of investigative techniques and procedures that conform to the evolving rules of evidence and to the protections found in the *Canadian Charter of Rights and Freedoms*.

The PPSC pursued its efforts to broaden the use of the Report to Crown Counsel by the police and investigative agencies, and to standardize the information provided to the Crown for court proceedings. This helps to ensure the consistency and completeness of the investigation files sent to the PPSC.

This collaborative effort also allowed the PPSC and investigative agencies to develop training programs for investigators in keeping with the demands arising from current legal trends and the ongoing evolution of investigative tools and techniques.

The PPSC also put greater emphasis on ensuring ongoing communication and liaison with police and investigative agencies, both at the national and local levels and at the management and front-line levels, to discuss overall enforcement priorities and directions, upcoming investigations, project files, and any other matters of mutual interest.

PERSONAL SECURITY OF EMPLOYEES

The PPSC has in place a security program that protects employees, information, and assets.

In 2013–2014, the PPSC completed the implementation of its Strategic Security Plan, establishing a framework to ensure employee safety and security throughout the organization.

Over the course of the year, the PPSC fulfilled an important objective to strengthen its capacity

Kelly Cove Salmon Limited

Kelly Cove Salmon Limited, a Canadian company, is the largest independent aquaculture company in North America. It operates more than 100 aquaculture farms in Atlantic Canada with more than 500 employees. The company produces approximately 27,000,000 kg of Atlantic salmon and 900,000 kg of trout annually, with annual sales in excess of \$165 million.

For several years, the aquaculture industry in southwest New Brunswick was using a product known as “Slice” to control sea lice, a parasitic crustacean which feed on the flesh of farmed salmon until the fish are dead. The efficacy of the product decreased over time. Despite preventive measures being taken by Kelly Cove, including husbandry, area management, and permitting some sites to lie unused, by the fall of 2009 there was a severe sea lice problem in the southwest Bay of Fundy salmon farms. To combat the problem, Kelly Cove began using a cypermethrin-based insecticide. In 1998, the Pest Management Regulatory Agency of Health Canada denied an application for approval of a product called EXCIS, a cypermethrin-based pesticide in the marine environment because it posed an unacceptable risk of harm to non-targeted marine organisms.

On April 26, 2013, Kelly Cove pleaded guilty in the Provincial Court of New Brunswick to two charges of depositing a deleterious substance in water frequented by fish, contrary to s. 36(3) of the *Fisheries Act*. The court imposed a total penalty of \$500,000; \$250,000 to be paid to the University of New Brunswick (UNB) for an environmental studies scholarship, \$100,000 to the UNB to fund research projects and studies about the fishery and aquaculture industry in the Bay of Fundy region, \$50,000 to the Environmental Damages Fund for the enhancement of fish habitat in the Bay of Fundy region, and \$100,000 by way of fine.

to manage business continuity and employee protection through the appointment of an officer assigned to these functions on a full-time basis.

Security continued to be an important element of internal audits. During the course of the year, security practices in the Atlantic Region were evaluated as part of the 2013 internal audit conducted in that office and measures were identified to respond to the recommendations of the audit.

During the year, the PPSC conducted a preliminary internal survey of security to assess the adequacy and effectiveness of the management framework in place for security of information, personnel, and physical security. The internal survey concluded that the PPSC had made significant progress towards the implementation of a security program since the creation of the Security Section in April 2009.

The PPSC will continue to implement strategies and instruments to comply with Treasury Board policies, directives, and guidelines and improve the effectiveness of the security program.

The PPSC Security Committee, comprised of senior officials, met on a regular basis to review policies and procedures and to monitor the progress of the security program, thus providing strong leadership and governance in the management of security in the PPSC.

Now that the strategic objectives associated with this priority have been achieved and the requisite tools put in place, it will no longer be necessary to identify employee safety and security as an organizational priority. However, personal security of employees remains of utmost importance to the PPSC and the organization will continue to ensure that appropriate security measures, information, and training remain available.





FINANCIAL INFORMATION

5

OPERATING BUDGET

During fiscal year 2013–2014, the PPSC was allocated a total operating budget of \$190.0 million. This represents an increase

of \$7 million over 2012–2013. The increase was attributable to funding received for salary increases, employees' benefits, and relocation of offices.

Additional information is provided in Table 1.

Table 1: Total Budget (\$ millions)

| | 2013–2014 | | | 2012–2013 |
|--|---------------------------------|-----------|--------------------|--------------------|
| | Budget at Beginning of the Year | Additions | Budget at Year-End | Budget at Year-End |
| Personnel (including employee benefit plans) | 123.1 | 16.8 | 139.9 | 127.1 |
| Other Operating Costs | 57.0 | 15.8 | 72.8 | 70.5 |
| Receipts and Revenues Credited to Vote | (17.7) | (5.0) | (22.7) | (14.6) |
| Total Net Budget | 162.4 | 27.6 | 190.0 | 183.0 |

ACTUAL SPENDING

Actual spending for the year amounted to \$185.3 million, an overall increase of \$21.9 million over 2012–2013. The increase was due to payments for new collective bargaining settlements, for the termination of severance pay entitlements, and for relocating offices.

The increase in expenditures was partially offset by an increase in revenues from the provision of prosecution services and an increase in legal service rates recovered from other government departments and agencies.

Additional information is provided in Table 2.

Table 2: Total Actual Net Spending (\$ millions)

| | 2013–2014 | 2012–2013 | |
|--|-----------------|-----------------|----------|
| | Actual Spending | Actual Spending | Variance |
| Personnel (including employee benefit plans) | 131.2 | 112.2 | 19.0 |
| Other Operating Costs | 74.6 | 65.8 | 8.8 |
| Receipts and Revenues Credited to Vote | (20.5) | (14.6) | (5.9) |
| Total Actual Net Spending | 185.3 | 163.4 | 21.9 |

SPENDING BY PROGRAM

The PPSC has two programs. The PPSC operating budget as well as the actual spending was apportioned approximately 74% for the drug, *Criminal Code*, and terrorism prosecution

program, 10% for the regulatory offences and economic crime prosecution program, and 16% for internal services.

Additional information is provided in Table 3.

Table 3: Spending by Program (\$ millions)

| | 2013–2014 | | | 2012–2013 |
|--|--------------------|-----------------|--------------------|--------------------|
| | Budget at Year-End | Actual Spending | Unused Authorities | Unused Authorities |
| Drug, <i>Criminal Code</i> , and terrorism prosecution program | 139.4 | 137.1 | 2.3 | 10.1 |
| Regulatory offences and economic crime prosecution program | 19.9 | 18.6 | 1.3 | 4.8 |
| Internal Services | 30.7 | 29.6 | 1.1 | 4.6 |
| Total Net Spending | 190.0 | 185.3 | 4.7 | 19.5 |

CONTACT INFORMATION



PUBLIC ENQUIRIES

Public Prosecution Service of Canada

Place Bell
160 Elgin Street, 12th Floor
Ottawa, Ontario K1A 0H8
1-877-505-7772
info@ppsc.gc.ca

MEDIA ENQUIRIES

Public Prosecution Service of Canada

Place Bell
160 Elgin Street, 12th Floor
Ottawa, Ontario K1A 0H8
613-954-7803
media@ppsc.gc.ca

HEADQUARTERS

Mr. Brian Saunders, Q.C.

Director of Public Prosecutions
Public Prosecution Service of Canada
Place Bell
160 Elgin Street, 12th Floor, Room 1220A
Ottawa, Ontario K1A 0H8

Mr. George Dolhai

Deputy Director of Public Prosecutions
Public Prosecution Service of Canada
Place Bell
160 Elgin Street, 12th Floor, Room 1215B
Ottawa, Ontario K1A 0H8

Ms. Kathleen Roussel

Deputy Director of Public Prosecutions
Public Prosecution Service of Canada
160 Elgin Street, 12th Floor, Room 1227B
Ottawa, Ontario K1A 0H8

REGIONAL OFFICES

BRITISH COLUMBIA

Mr. Robert Prior

Chief Federal Prosecutor
Public Prosecution Service of Canada
British Columbia Regional Office
Robson Court
900 – 840 Howe Street
Vancouver, British Columbia V6Z 2S9
604-666-5250

ALBERTA

Mr. Wes Smart, Q.C.

Chief Federal Prosecutor
Public Prosecution Service of Canada
Alberta Regional Office
700 EPCOR Tower 10423 – 101st Street
Edmonton, Alberta T5H 0E7
780-495-3553

SASKATCHEWAN

Ms. Christine Haynes

Chief Federal Prosecutor
Public Prosecution Service of Canada
Saskatchewan Regional Office
123 Second Avenue South, 10th Floor
Saskatoon, Saskatchewan S7K 7E6
306-975-5477

MANITOBA

Mr. Ian Mahon

Chief Federal Prosecutor
Public Prosecution Service of Canada
Manitoba Regional Office
234 Donald Street, Suite 515
Winnipeg, Manitoba R3C 1M8
204-983-5738

ONTARIO

Mr. Morris Pistyner

Chief Federal Prosecutor
Public Prosecution Service of Canada
Ontario Regional Office
2 First Canadian Place, Suite 3400
Exchange Tower, Box 36
Toronto, Ontario M5X 1K6
416-973-0960

NATIONAL CAPITAL REGION

Mr. Tom Raganold

Chief Federal Prosecutor
Public Prosecution Service of Canada
NCR Regional Office
Place Bell
160 Elgin Street, 14th Floor, Room 1404
Ottawa, Ontario K1A 0H8
613-957-7000

QUEBEC

Mr. André A. Morin, Ad. E.

Chief Federal Prosecutor
Public Prosecution Service of Canada
Quebec Regional Office
Guy-Favreau Complex
East Tower, 9th floor
200 René-Lévesque Boulevard W.
Montreal, Quebec H2Z 1X4
514-283-2935

ATLANTIC

Mr. Barry Nordin

Chief Federal Prosecutor
Public Prosecution Service of Canada
Atlantic Regional Office
Duke Tower
5251 Duke Street, Suite 1400
Halifax, Nova Scotia B3J 1P3
902-426-5535

NUNAVUT

Mr. John P. Solski

Chief Federal Prosecutor
Public Prosecution Service of Canada
Nunavut Regional Office
P.O. Box 1030
Iqaluit, Nunavut X0A 0H0
867-975-4600

NORTHWEST TERRITORIES

Ms. Sandra Aitken

Chief Federal Prosecutor
Public Prosecution Service of Canada
Northwest Territories Regional Office
Joe Tobie Building
5020 – 48th Street, 3rd Floor
Yellowknife, Northwest Territories X1A 2N1
867-669-6900

YUKON

Mr. John Phelps

Chief Federal Prosecutor
Public Prosecution Service of Canada
Yukon Regional Office
Elijah Smith Building
300 Main Street, Suite 200
Whitehorse, Yukon Y1A 2B5
867-667-8100