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# Standing Committee on Public Safety and National Security

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Chair: Mr. Heath MacDonald





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Thursday, April 18, 2024

• (0815)

[*English*]

**The Chair (Mr. Heath MacDonald (Malpeque, Lib.)):** I call this meeting to order.

Welcome to meeting number 103 of the House of Commons Standing Committee on Public Safety and National Security. Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

I would like to make a few comments for the benefit of the witnesses and members.

Please wait until I recognize you by name before speaking. To prevent disruptive audio feedback incidents during our meeting, we kindly ask that all participants keep their earpieces away from any microphones. Audio feedback incidents can seriously injure interpreters and disrupt our proceedings. I will remind you that all comments should be addressed through the chair.

Pursuant to the motion adopted on October 23, 2023, the committee resumes its study on the growing problem of car thefts in Canada.

We have, today, two panels of witnesses. I would like to now welcome our witnesses for the first panel. From the Montreal Port Authority, we have Félixpiér Bergeron, director, port protection and business continuity; and Julien Baudry, director, public affairs. From the Vancouver Fraser Port Authority, we have Anita Gill, director of health, safety and security.

Welcome to you all. Up to five minutes will be given for opening remarks, after which we will proceed with rounds of questions.

I now invite Mr. Bergeron and Mr. Baudry to make an opening statement, please.

[*Translation*]

**Mr. Julien Baudry (Director, Public Affairs, Montreal Port Authority):** Thank you very much, Mr. Chair.

We are obviously pleased to be here to talk about a subject that concerns us.

The Montreal Port Authority has some 275 employees, and we believe that fighting crime is part of our social responsibility.

You can imagine that if Montreal is an important port in Canada, it is first and foremost because it is used to import essential goods and export the best we have to offer, and not to export proceeds of

crime. Annually, the Port of Montreal receives and exports approximately 36 million tonnes of goods worth \$151 billion. This represents 3.5% of Canada's gross domestic product.

It is important to know that these goods are transported in 1.7 million containers. These containers pass through the port and sometimes stay there for two or three days. So the port, like all other Canadian port authorities, is primarily a freight-transit site. No containers are filled on site and all containers that pass through have been previously sealed.

Of course, Montreal is often mentioned in connection with the export of vehicles. There are essentially two reasons for this: We are very close to the major urban centres of Quebec and Ontario, but we are also the main container port for supplying markets in Africa or the Middle East. According to Interpol, these two markets are among the destinations for these stolen vehicles.

Obviously, we do not work alone. Our responsibility is limited, but we work in collaboration with our partners. That is why the investments that have been recently announced in the Canada Border Services Agency, not to mention the renewed collaboration with our police partners, allow us not only to improve security, but also to assume our responsibilities.

Finally, I want to say that we do not want to stop there. We want to do more. That is why we are very pleased to take part in the committee's discussions today.

I now give the floor to Mr. Bergeron.

• (0820)

**Mr. Félixpiér Bergeron (Director, Port Protection and Business Continuity, Montreal Port Authority):** The Canada Marine Act, which governs marine infrastructure, gives us powers and obligations. Under this act, we have a responsibility to ensure the overall safety of people and goods transiting through the Port of Montreal. We are not talking about the cargo inside the containers; we are talking about the container. This means that access to the port is monitored 24 hours a day, seven days a week, at all times. Any access to the port is monitored and logged.

Although we do not have the authority to inspect containers, we have launched and supported initiatives to help police and businesses conduct their investigations and activities. For example, in addition to the spaces we provide to customs officials, we provide the spaces, buildings and infrastructure needed for those people to carry out their operations.

More than 800 police and customs officers have access to the port at any given time. The Royal Canadian Mounted Police, or RCMP, the Sûreté du Québec, the Service de police de la Ville de Montréal and customs all have access to the port. Access cards have been issued to these agencies. More than 600 cameras are also monitoring the entire port, and the police has access to them to carry out their activities.

In addition, we are working with private companies that monitor or track stolen vehicles in the port using the famous Tag stolen vehicle tracking system. We have installed antennas for them. They are present in the port to detect vehicles. In collaboration with these companies, we are in the process of reassessing the number of antennas they need to more quickly and accurately identify vehicles. They currently have a certain number of antennas, but if we add some, we will be able to better locate trains and trucks. We are proud to be part of this initiative, which is currently being developed.

We have also launched a national program to welcome all companies with technologies similar to these antennas. We invite them to contact us so that they can install their antennas at no cost. We will provide them with the necessary urban or port furniture at no cost. This recent program is under way. We do not have any new data to share with you, but we are working on it.

We also have discussions with the Automotive Industries Association of Canada, in particular, to try to understand their needs and to find other ways to support their efforts against the scourge of vehicle theft.

It should be noted that the problem is not just at the Port of Montreal, even though that seems to be the case at this time.

We also have to think about setting up an organization that includes the 17 Canadian port authorities, or CPAs. Otherwise, the problem will move to another port.

We are open to the discussion to find solutions.

[English]

**The Chair:** Thank you to you both.

Ms. Gill, please give an opening statement.

**Ms. Anita Gill (Director, Health, Safety and Security, Vancouver Fraser Port Authority):** Thank you and good morning.

On behalf of the Vancouver Fraser Port Authority, thank you for the opportunity to address the committee today.

My name is Anita Gill. I'm the port security officer and director of health, safety and security for the Vancouver Fraser Port Authority. My experience prior to joining the port authority was over 18 years in law enforcement working as a peace officer in all three levels of government: municipal, provincial and federal. I then joined the port authority just over 10 years ago, and I'm currently leading

programs in safety, security, compliance and administrative enforcement.

As Canada's largest port, the port of Vancouver is home to 29 major marine terminals across five business sectors, including four container terminals with a total annual capacity of three million TEUs. The port environment is a complex one with many stakeholders contributing to the movement of goods to support Canada's trade.

One of the many regulations governing marine security is the Marine Transportation Security Act and regulations that outline the security roles and responsibilities within the marine environment. These regulations set out requirements for all port authorities and the requirements for independent marine terminal operators regarding the security of marine transportation and the protection of critical infrastructure.

Each of the 17 Canadian port authorities are responsible for implementing security measures within its jurisdictional boundaries, exclusive of leased spaces. The responsibility for security within those leased spaces falls to each independent terminal operator that has entered into a lease with that port authority.

The RCMP and CBSA are responsible for border protection and transnational crime, while municipal police agencies respond to calls for service from the terminals. Last, Transport Canada determines which categories of persons are required to have security clearances within the marine port environment. For the Vancouver Fraser Port Authority region, we have 29 different law enforcement and regulatory agencies that have a mandate on our port jurisdiction, and we have ongoing relationships with these agencies.

Considering the complex environment I've just outlined, I have a few suggestions for us to share collectively.

First, the Marine Transportation Security Act was introduced in 1994, and the regulations followed in 2004 after 9/11. This provided us with the legislative framework for the security of our marine transportation system in Canada. As the regulation is currently under review, we would like to provide input through ACPA for government consideration to potentially expand its focus to assist with some of the challenges we're currently facing.

Second, we know that port authorities are not responsible for the interdiction of criminal activity, which falls clearly to RCMP and CBSA. However, port security and port policing exist on a continuum, and enhanced information sharing between law enforcement and port authorities is essential.

At the port of Vancouver, we chair the committee called the PIMSWG, which includes senior leadership from regional Transport Canada, RCMP, CBSA, Vancouver Police Department and Delta Police Department, as they're our two largest municipal police forces on port property. The committee allows for ongoing collaboration, and we've seen many joint successes over the years.

Our second recommendation is for government to reinstate the national port security committee with ACPA and port authorities to allow for ongoing national collaboration on marine security and policing matters.

For my third point, I think we can all agree that law enforcement agencies have an obligation to protect the jurisdiction in which they serve, and we appreciate that they have multiple competing priorities to balance. Here in the Pacific region, the number one ask of our law enforcement partners at the PIMSWG was for the port authority to share the inner workings of the port of Vancouver: our terminal operations, our labour operations, trucking operations and the supply chain environment.

I'll share the wise words of a senior RCMP officer who said, "If we don't know what 'in place' looks like, how are we going to detect something out of place? That's police investigation 101." That really resonated with us at the VFPA, so we worked with our labour partners: ILWU, B.C. Maritime Employers Association, cruise and shipping partners, trucking and rail partners, terminal operators and many other port partners.

The two-day, in-person course was co-created and endorsed by RCMP's federal serious and organized crime division, Pacific region, and CBSA operations and intelligence, Pacific region. It was delivered at a confidential level exclusively for peace officer members working at the port of Vancouver. It was well received.

Our third recommendation is that government consider similar national training for all law enforcement who have a jurisdiction within our 17 Canadian port authorities.

In closing, we at the Vancouver Fraser Port Authority are very pleased to see the leadership role that the government has demonstrated through the recent national auto theft summit and our subsequent engagement. We are encouraged by the recent meetings with Public Safety Canada and Transport Canada and their collaboration with the VFPA and ACPA on the auto theft issue in our country.

• (0825)

On behalf of the Vancouver Fraser Port Authority, I would like to thank the committee for the opportunity to provide input today. I will be happy to take any questions the committee may have.

Thank you.

**The Chair:** Thank you, Ms. Gill.

We're going to move right into questions.

Mr. Caputo, you're up first for six minutes, please.

**Mr. Frank Caputo (Kamloops—Thompson—Cariboo, CPC):** Thank you, Mr. Chair.

I apologize to our witnesses today. This is my first meeting on this issue. I apologize if some of my questions are a bit elementary, because I'm just getting my feet wet here.

I was struck by Mr. Bergeron saying that all access points are monitored to the port. Is that correct?

• (0830)

**Mr. Félixpier Bergeron:** Yes.

**Mr. Frank Caputo:** Theoretically, any stolen vehicle is going through one of these monitored access points. Do I have that right?

**Mr. Félixpier Bergeron:** Yes.

**Mr. Frank Caputo:** Is there anything in place to figure out, as a vehicle goes through, whether it was stolen?

**Mr. Félixpier Bergeron:** If there are vehicles inside containers, they're inside containers. They cannot be seen. The container is sealed. We don't have the authority or power to open the container to see what's inside. It belongs to the CBSA.

**Mr. Frank Caputo:** The containers are all sealed typically before they arrive. Is that right?

**Mr. Félixpier Bergeron:** Yes, they have to be sealed.

**Mr. Frank Caputo:** In your experience, how often does CBSA go through those containers?

**Mr. Félixpier Bergeron:** I can't really say, but it's not much.

**Mr. Frank Caputo:** How big or small are the containers that we're typically dealing with here?

**Mr. Félixpier Bergeron:** The containers are either 20-foot or 40-foot. Those are the two standards. There are some that are 53-foot, but they're rare.

They can fit two cars in a 20-foot container or four cars in a 40-foot container.

**Mr. Frank Caputo:** At the point of entry, is it possible to determine what the actual cargo is? I assume it's not, because—

**Mr. Félixpier Bergeron:** No. We don't have access to that information.

**Mr. Frank Caputo:** Ms. Gill, you talked about the inner workings here and the necessity of training for peace officers. In your experience, as somebody who's done a great deal of law enforcement, is there one aspect of—

**Ms. Jennifer O'Connell (Pickering—Uxbridge, Lib.):** I have a point of order.

I'm sorry for the interruption. It's my understanding that ParlVU is not working and the audio is not being recorded. Can we just double-check that?

Thank you.

**The Chair:** The clerk is going to give us an explanation.

**The Clerk of the Committee (Mr. Simon Larouche):** We are aware of the issue. Right now the issue is with the English channel. The channels for the floor and French work. We have technicians working on it. We are recording everything.

**Ms. Jennifer O'Connell:** Can our members hear? Is the Zoom still working? I'm worried about people online.

I just want to make sure.

**The Clerk:** Yes.

**The Chair:** We'll continue, please.

**Mr. Frank Caputo:** Thank you.

Ms. Gill, thank you for being here.

You talked about your third point and the inner workings. In your experience in law enforcement at all three levels, as well as your experience here, is there one specific aspect of training that should be targeted to our peace officers?

**Ms. Anita Gill:** Thank you for the question.

What I can say on that is that the general awareness and familiarity of how a port authority operates is a mystery to most people, including law enforcement. Going through the different levels of training that I received, there wasn't any specific training on a port authority or how it operates. It's a landlord port. Independent terminal operators are independent and the port authority administration doesn't have a say on what happens on container terminals, because they're independent.

It's those types of context questions that I think need to be answered first. Then we can go into the inner workings: how labour is dispatched, how the GPS on our trucks works, where they can get that information or how much notice CBSA has on what's in a container.

There are many pieces of information for the supply chain on how it comes in for them to really avail themselves of law enforcement to be able to have a better understanding and to pick out those areas where they feel they can do more investigation.

**Mr. Frank Caputo:** Can I ask how long it took you to feel comfortable and you got up to speed in your position? You're talking about these layers of complexity. It sounds complex. I imagine it was at least months before you felt comfortable.

**Ms. Anita Gill:** I'm still learning. I've been there for 10 years.

**Mr. Frank Caputo:** Wow.

Obviously, for people who don't know what they're dealing with, this could be tremendously challenging.

**Ms. Anita Gill:** Yes.

**Mr. Frank Caputo:** One thing, and I don't know if it was touched upon, is the role of organized crime.

This goes to anybody who wants to intervene. In your experience, is this something that you just appreciate and understand as being present, or is this something you actually see blatantly in front of you when it comes to auto theft and organized crime?

• (0835)

**Mr. Félixpier Bergeron:** I will try to answer that.

We acknowledge that there might be some criminal organizations operating in the port. They are everywhere—at all sorts of points of entry, be they ports, land ports or other organizations. They are present and part of our society.

What we've done at the port over the years is manage the access and the identification of people working at the port, making it more difficult for them to operate openly in the ports.

[*Translation*]

That does not mean that they cannot bribe someone.

[*English*]

However, anything that goes in and out of the port is being captured electronically, either by identification or by biometrics.

The ports are now considered more of a conduit, not a destination, for the criminality. They do their stuff before the port and after the port. They don't do stuff in the port because the detection rates are too high for them.

**Mr. Frank Caputo:** That's very good.

I have about 40 seconds. Does anybody else want to intervene on that question?

**Ms. Anita Gill:** Thank you.

I agree with Félixpier's answers.

We understand that organized crime does exist. It exists in any place that can be used to facilitate the crime that they want to happen. It is here to stay. We just need to collectively figure out how we can all help minimize it.

**The Chair:** Thank you.

We're going to move to Mr. Gaheer, please, for six minutes.

**Mr. Iqwinder Gaheer (Mississauga—Malton, Lib.):** Thank you, Chair.

Thank you to the witnesses for appearing before the committee.

My questions, at least initially, are for the Montreal Port Authority. We've heard your opening testimony, but why is it that the port of Montreal is where most of the stolen vehicles leaving the country are exiting from?

Since this problem has arisen at a high scale at the port of Montreal, what has the Montreal Port Authority specifically done to combat this problem?

[Translation]

**Mr. Julien Baudry:** Thank you very much for your question, Mr. Gaheer.

The Port of Montreal is the second-largest container port in Canada, but it is also the main export platform to markets where criminals are able to sell stolen vehicles. I am thinking in particular of Africa and the Middle East. In addition, it is located six hours from the GTA and a few minutes from Montreal. Unfortunately, criminals have taken advantage of the fluidity of our facilities, our good performance and our proximity to markets, whether by truck or by train, to export stolen vehicles. We are very aware of this problem.

Over the past year, in particular, we have intensified discussions with our partners. Our colleagues from Vancouver mentioned it. They said that it was important for our police partners to have a clear understanding of the port reality. To achieve this, communication and mutual understanding efforts have been intensified. In addition, we are looking at technological solutions to make it easier to identify containers carrying stolen vehicles.

Having said that, I want to emphasize that it is very important for us that solutions be applicable across Canada. If we find a solution that applies only at the local level, that is to say in Montreal, we will only displace the problem to other ports, and criminals will take advantage of these shortcomings.

We want to continue to work collaboratively and talk with our partners to find other solutions, through our association, for example. We are open to discussion.

[English]

**Mr. Iqwinder Gaheer:** Thank you.

You mentioned the technology. Is the technology that you're using to search the containers the Montreal Port Authority's technology or is that the CBSA's technology? Do they have their own? Do you use it in conjunction?

**Mr. Félixpier Bergeron:** It's CBSA technology.

[Translation]

**Mr. Julien Baudry:** If I may, I would like to add something.

Any operation that involves the search or inspection of containers, whether at the time of importation or exportation, must be conducted by the CBSA.

However, we are definitely partners on the logistics side of things. For example, when a truck comes into the port, it may take up to 30 minutes to reach a terminal. Our hope is that inspection operations be performed with not only the fluidity, but also the good performance of the port in mind.

[English]

**Mr. Iqwinder Gaheer:** Sure.

I think for the folks who are watching this online, and for folks in general, there's some confusion about jurisdiction and what happens. There's the port authority. There's the CBSA. There's the local police of jurisdiction in that area. There's the police of the local ju-

risdiction where the car was stolen. I come from Peel Region in Mississauga, which is particularly hard hit by the car theft problem.

I'm confused. Let's say a car is stolen and is taken to the port of Montreal. At that point, when the car is in a container at the port of Montreal, can the local police—let's say the Peel police—come on their own, of their own volition, onto Montreal Port Authority property and search containers or not?

• (0840)

**Mr. Félixpier Bergeron:** We're not the best people to answer that question. You'd have to ask the different police of jurisdiction, because there's jurisdiction in all aspects of it, which we can't control. For us, at the port of Montreal, the only people allowed to open a container for inspection, either for import or export, are from the CBSA.

**Mr. Iqwinder Gaheer:** You already mentioned that the CBSA and RCMP have 24-hour access.

**Mr. Félixpier Bergeron:** Yes, they have 24-hour access.

**Mr. Iqwinder Gaheer:** Is that granted by the Montreal Port Authority, or is that granted through —

**Mr. Félixpier Bergeron:** It's granted by the Montreal Port Authority, and it cascades down to the terminals.

**Mr. Iqwinder Gaheer:** Technically, couldn't the Montreal Port Authority grant access to local police jurisdictions all across the country?

**Mr. Félixpier Bergeron:** We could, if they asked for access, but they couldn't open a container by themselves. The CBSA or the RCMP needs to be there, because they are the only two that can open a container under the Customs Act.

**Mr. Iqwinder Gaheer:** You're saying that the CBSA and RCMP are the only two that can open the container.

**Mr. Félixpier Bergeron:** Under the Customs Act...yes.

**Mr. Iqwinder Gaheer:** Okay. Do you have local police jurisdictions across Canada reaching out to the port?

**Mr. Félixpier Bergeron:** Not yet. They haven't applied for that yet. It's open to them. We have told them....

We saw it a couple of weeks ago, when the OPP did a joint operation with the police of Montreal. They seized a lot of cars and arrested a few people. They came in with the police of jurisdiction, which is the police of Montreal.

It's a question of territorial jurisdiction, but if they demand access, they will grant them access. They can then get into the terminal, assess what it is and where they want to find something, and then call in the CBSA to open the container.

**Mr. Iqwinder Gaheer:** In your experience so far, from what you've observed, is the CBSA working in conjunction with these local police forces when they—

**Mr. Félixpiér Bergeron:** It is. My comprehension is that it is working with them.

**Mr. Iqwinder Gaheer:** Thank you.

I'll just ask a question of the Vancouver Fraser Port Authority. Perhaps this question was already answered by the Montreal Port Authority.

Why do you think more vehicles are leaving Canada through the Montreal port than through your port? Is it just because of the geographical nature of the theft and where the vehicles are being taken, or is there another element to it?

**Ms. Anita Gill:** Yes, I believe that question was answered.

To the best of my knowledge, I don't know of any other factors that we should be considering for why the rates are different.

**Mr. Iqwinder Gaheer:** Thank you.

**The Chair:** Thank you, Mr. Gaheer.

**Mr. Glen Motz (Medicine Hat—Cardston—Warner, CPC):** Chair, if I may, I want to answer Mr. Gaheer's question. It was a great line.

When you have municipal law enforcement—

**Ms. Jennifer O'Connell:** You're eating up everyone else's time.

**Mr. Glen Motz:** I'm sorry. I just wanted to clarify something. He had a question about jurisdiction, and I don't think it was—

**Ms. Jennifer O'Connell:** You can have a conversation, but you're eating up everyone's time.

**The Chair:** It may be something you can talk about, Mr. Motz, when your turn comes up, if you don't mind.

Ms. Michaud.

It was a good point, though.

[*Translation*]

**Ms. Kristina Michaud (Avignon—La Mitis—Matane—Matapédia, BQ):** Thank you, Mr. Chair.

Thank you to the witnesses for being here today. We appreciate that.

We were very much looking forward to the testimony of the Port of Montreal officials, who have been at the core of this whole thing that we have been hearing about for the past few months. Journalists have referred to the Port of Montreal as the hub for stolen and exported vehicles. Some have called it a sieve.

Earlier, Mr. Bergeron, you said that there was really no criminal activity at the port and that it happens before or after the containers' transition through the port. Otherwise, perpetrators would be afraid of getting caught. However, you are aware that organized criminal activities are taking place and that employees could be involved.

From what I understand, the Montreal Port Authority may be a victim in this matter. However, I would like to know what role it plays.

Mr. Baudry, you talked about social responsibility earlier.

What is the process? What are the administrative steps and where could you intervene? I know there are different jurisdictions and different partners that can step in.

Let us say that I own a business—or appear to own one. If I buy or rent a container to fill it with goods for export, there is a document associated with that activity, and it has to be certified by customs officers. That container then arrives, either by rail or by truck, at the Port of Montreal. If the container arrives by truck, for example, the driver has an access card to enter the port. I imagine that the documents associated with the container are shown to customs officers or someone from the port authority.

Could you walk me through the administrative process?

• (0845)

**Mr. Julien Baudry:** Thank you very much for the question.

I will start and then turn it over to my colleague.

It is important to know that the Montreal Port Authority has 275 employees and that approximately 25,000 people enter its territory annually. Obviously, every person who works for the authority or for one of its logistics partners—my colleagues will talk about the operators—receives a Transport Canada security clearance.

There is a logistics ballet, if I can put it that way, that takes place at the port. As you can well imagine, when a container arrives at one of our entries, at our trucking gate, a whole administrative process is triggered. However, we are not authorized to verify whether the truck is carrying the cargo indicated on the manifest.

It should also be noted that the information about what is in the containers is known to a very small number of people for a very simple reason: to make it more difficult for criminals to target a container for the purpose of committing a crime. Various barriers have been put in place, which makes it very difficult for us to intervene. So we have to rely on other partners or other agencies.

I have to stress that all of the necessary steps for a container to be eligible for export or for a trucker to be allowed to export occur outside of the port authority's jurisdiction. It is not up to the Montreal Port Authority to say that a given container can or cannot leave.

As we said, our focus is much more on the fluidity and the safety and security of the port sites. We are focusing on those activities.

**Ms. Kristina Michaud:** I know that port authority officers have limited access. They can only open a container if there is a life in danger or an environmental risk. Do you think that access could be expanded?



Representatives of the Customs and Immigration Union told us that there are only eight customs officers at the Port of Montreal. Officials from the Canada Border Services Agency, who were here earlier this week, were unable to give us a figure as to the number of customs officers at the Port of Montreal.

Do you think that your officers could be more involved in the process or, on the contrary, that it is really not their job?

**Mr. Félixpiér Bergeron:** We are willing to consider all possible solutions.

If that is part of the solution, we are open to considering and implementing it, as long as powers and authority are properly delegated and the required funding is provided. It would require equipment and manpower, but we are open to the suggestion.

**Ms. Kristina Michaud:** Logistically speaking, would it be easier to focus on containers or on the documentation?

In terms of solutions, I have heard people say that there should be more scanners, that we needed to invest in that type of equipment to try and scan every container. Other people told us that it would be almost impossible to scan every container that goes through the Port of Montreal.

Should we be looking more closely at the documents to try to find the fraudulent ones?

Investigators from the Journal de Montréal put all the data in an Excel spreadsheet and were able to figure out that certain vehicle identification numbers came up multiple times, as if the same vehicle had been exported several times.

In your opinion, should we focus more on the documentation or on containers themselves?

**Mr. Félixpiér Bergeron:** That would be a good potential solution, but that does not fall within the Port of Montreal's jurisdiction. We do not have access to the detailed documents. Customs officers, on the other hand, do.

**Ms. Kristina Michaud:** You are overseeing the physical location but not what takes place there.

Is that correct?

**Mr. Félixpiér Bergeron:** We manage the containers, but not their content. We have no access to what is inside. Terminals do not have access either. The only people who do have access to that information besides the exporter are the customs officers and the vessel operators.

The terminals and the port never see this information. We have a general idea of what is inside a given container, but we cannot open it to check if it is true.

**Ms. Kristina Michaud:** Thank you.

[*English*]

**The Chair:** Thank you, Ms. Michaud.

Mr. MacGregor, you have six minutes, please

**Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP):** Thank you very much, Chair.

I'd like to thank our witnesses today for helping to guide us through this study.

It seems to me when looking at this issue that there are two potential advantages that we can make use of when dealing with this problem. First, a car is not the easiest thing to hide because of its size and, second, our ports seem to be natural choke points, in that people rely on your ports to reach those lucrative export markets.

This is obviously a multi-faceted problem. We've heard from a range of witnesses: from auto manufacturers to police to intelligence-gathering. They all have a role to play, but given the fact that a car is not the easiest item to hide and that we have a natural choke point, I'm just wondering how best we can take advantage of that.

At the port of Montreal, when you have successfully located contraband cars, obviously stolen cars, I know that with the containers they are loaded off-site. They are sealed, and I assume that's with a wire tag with a manifest. When you've worked your way back, you've opened the container and you've found stolen cars.... That's how I like to approach problems. You find a problem and work your way backwards.

What have been some of the common themes in that investigation? Where did things go wrong? Who ultimately signed off on what was in the container? That's what I want to know: How do we best improve that process?

• (0850)

**Mr. Félixpiér Bergeron:** Part of where the process goes haywire is that there is no accountability on who stocked the container. The paperwork, once they sign off and it is sent to CBSA, is the end of it, but there is nobody who signs off by saying what is in the container for real. It's all what's being seen on paper. It's fraud, but how do you detect fraud? It's something that maybe needs to be reviewed in the regulations for accountability on the stocking of the container.

**Mr. Alistair MacGregor:** In discovering that fraud in the paperwork, is the person saying that it is in fact a vehicle that's being shipped but it's a legitimate vehicle, or have you sometimes found that, no, the manifest says that there had been something completely different under some circumstances?

**Mr. Félixpiér Bergeron:** It says, "Frigidaires" instead of cars. They say it's refrigerators, but there are cars instead. As I said, there is no accountability on who shuts the doors and puts the seal on.

**Mr. Alistair MacGregor:** Yes.

Ms. Gill, do you have anything to add to that, such as patterns that the Vancouver Fraser Port Authority has seen?

**Ms. Anita Gill:** No, I don't. Thank you.

**Mr. Alistair MacGregor:** Okay.

I want to delve into the use of technology. I understand from Mr. Gaheer's line of questioning that's within the purview of the CBSA.

I know that our ports are extremely busy places and that our economy relies on your operations to be efficient. We don't want containers to stay static. You require them to be moved at quite a rapid pace. I'm just wondering: If we're going to make these investments in this technology, how do you envision it is best used?

I know that containers arrive at ports by train and by truck. Do you envision a system where as each truck is rolling in through your entrances—or where it's on trains—it's being scanned? Help me understand the logistics of what this involves and what your requirements are as ports both to satisfy the security requirements and also to make sure the goods are still moving through at an acceptable rate.

**Mr. Félixpiér Bergeron:** I would add to that the safety aspect of the location of the equipment. Usually, we are talking about radiation-emitting equipment to scan—to X-ray—the containers.

That maybe would involve the safety of the trucker, the operator or the workers around it. We need to better assess what the implication is of putting in that technology. Do we have the space to put in enough of them but not slow down the entrance too much, or the exit if you wanted to go to the exit too? It needs to be studied before we can commit to that type of solution.

It exists somewhere else in the world, but in those places, they don't have the same commitment to human life that we do in Canada.

**Mr. Alistair MacGregor:** As a representative of the Montreal Port Authority, have you seen demonstrations of this technology in use? In the places where it is being used, what lessons have you learned from how it's being deployed?

**Mr. Félixpiér Bergeron:** We haven't travelled to those countries that use the technology. I know it exists. We are not close to the use of those solutions, but it needs to be studied as to the impacts.

Just to give you an analogy, with the equipment that CBSA already uses to scan the import containers, it takes between four and five minutes to scan each container. When we have 2,000 trucks a day entering the port, times four minutes, it doesn't work.

• (0855)

**Mr. Alistair MacGregor:** Ms. Gill, in your opening statement you made some recommendations.

I'm assuming these are quite expensive machines. In your opinion, would that be a smart investment, or do you think we would fall into the trap of overreliance on technology at the expense of human intelligence?

You have so much experience, so I want to hear your perspective on this.

**Ms. Anita Gill:** Thank you.

I do think there is a place for AI to be able to assist the human capital that we use for searching containers. There are many implications of installing X-ray machines, like resourcing and additional potential responsibilities on CBSA and the terminal operators. We'd definitely be willing to participate in a conversation on what that would look like and who all would be impacted.

I do feel that there is a place for AI to be able to scan the manifest and compare it to the contents of the container, to be able to identify more hot cans for CBSA to consider.

**The Chair:** Thank you, Mr. MacGregor.

We're moving on to round two now.

We'll start with Mr. Motz, please.

**Mr. Glen Motz:** Thank you very much, Chair.

Thank you to the witnesses for being here.

A couple of things are certainly troubling. One is the fact that the port authorities don't have access to review the manifests. CBSA does to some degree. Obviously there is a big gap where, as you said, Mr. Bergeron, a manifest is completed, but no one confirms that what's actually in the container is what's on the manifest. This is an area we can fix.

Are there any recommendations you have for that? I don't have time to do it all today, but if you guys from the port authorities could supply the information on your recommendations as to how we can fix that gap, that would be great.

I started in law enforcement in 1980, before most of you in this room were born, and I can tell you that back then, early on, traditional organized crime in Montreal and outlawed motorcycle gangs in Vancouver ran the ports, and they still run the ports. That is a fact. When I say that, it's not in the port proper necessarily. It's that gap between a car stolen in the GTA and.... People think they drive it into the port and drive it into a container on port property. We know that's not how it happens. We have a gap there as well.

We know that crime is getting worse in this country after the nine years of this government. What do we need to do to ensure that what's in the containers that are being filled elsewhere and coming onto port property is actually what is in them, and that we know what's in them?

How do we do that differently, given that organized crime is absolutely involved in that process?

**Mr. Félixpiér Bergeron:** Off the bat, it's kind of tough to answer the question precisely.

As I said earlier, it's important to revise either the regs or the act to add some form of accountability, be it the driver of the truck, be it the freight forwarder, whoever it may be. Somebody has to be signing off on what is in the container. If it's false, somebody's going to go to jail for that.

**Mr. Glen Motz:** Thank you for that.

I noticed, Ms. Gill, that you made a comment about the Marine Transportation Security Act.

If the government takes the initiative to update that act, is it possible that we could change the process such that, before a container is sealed and enters port property, it is inspected? You open up the back door and someone at the port entrance says, “Yes, we have refrigerators,” or, “No, we have cars. This is not what the manifest says.”

Would that be something that could stop the movement of contraband in and out of this country?

**Ms. Anita Gill:** I wouldn't say that it could be done in that fashion.

The MTSRs are for port authorities to put in security measures to protect Canada's critical infrastructure, not exclusively but that is the primary responsibility. The MTSRs do not have any mention of putting in measures for detecting or preventing criminality.

My suggestion would be, when we're talking about roles and accountabilities, to add more of a role in there for persons either at the marine terminals or at the port authorities so we could put in additional measures to assist law enforcement more than we're able to today.

• (0900)

**Mr. Glen Motz:** The Vancouver port probably has more, but you indicated that in Montreal you have 275 employees for the port and about 25,000 peripheral people—companies that come in and do operations there.

What security measures do you have in place from a security clearance perspective? Do you guys do them? Do you get law enforcement to do all of your security clearances for everybody?

**Mr. Félixpiér Bergeron:** No, the security clearance program is driven by Transport Canada.

**Mr. Glen Motz:** Okay, but who does them?

**Mr. Félixpiér Bergeron:** Transport Canada does them.

**Mr. Glen Motz:** Transport Canada does them.

Where does Transport Canada get the information to do background checks on not only your 275 employees but the 25,000 who have access to your port?

**Mr. Félixpiér Bergeron:** They don't do 25,000 people.

**Mr. Glen Motz:** That's the problem.

**Mr. Félixpiér Bergeron:** That might be part of the problem. They do it for specific positions or specific access to certain places, but not for the general worker.

Basically, it's reserved for people having authority over other people or people having authority with regard to the management of the inventory, like the checkers, the infamous checkers that we always talk about at the port of Montreal that were for a long time affiliated with the West End Gang—but that's old history.

Basically, of the 1,200 longshoremen working in the port, maybe 200 of them have security clearance because their jobs are not captured under the Transport Canada security clearance program.

**Ms. Anita Gill:** As for the Vancouver Fraser Port Authority, we have over 32,000 port passes, and only 7,000 of those are required to have security clearances.

As per the Transport Canada regulations, it's a requirement for everybody entering a cruise facility to have a security clearance. However, at container terminals, because of the way the regulations are written—certain roles and certain areas of the container terminal—that is how the container terminal determines who needs a clearance. It is through the guidance and the categories of people described by Transport Canada in the regulations. We are following the regulations on who can even apply.

**Mr. Glen Motz:** Thank you.

**The Chair:** Thank you.

We now have Ms. O'Connell, please, for five minutes.

**Ms. Jennifer O'Connell:** Thank you, Mr. Chair.

Thank you all for being here.

Mr. Bergeron, I want to start with you. Earlier, you said, in an answer to Mr. Caputo, that not many trucks are inspected at the port of Montreal by the CBSA.

On April 3, it was announced that over 600 stolen vehicles were recovered in an operation with the CBSA at the port of Montreal. A quick Google search shows that a 20-foot shipping container usually fits one, maybe two cars. A 40-foot container could maybe hold four cars. Therefore, if I take the largest containers, that would mean that about 150 containers, at least, were opened in that one operation.

I'm wondering if you could... Are you involved in any of that? Are you aware of any of that, or was your statement earlier maybe that you wouldn't be aware of all the operational things that are happening?

**Mr. Félixpiér Bergeron:** I'll clarify. When I answered the question earlier, it was on a random basis or targeted basis at the entrance of the port. I'm not aware of many verifications by customs or the CBSA.

They do, however, inspect containers when they've been declared, when they've been spotted or when whatever system they use guides them to inspect a container. They do open containers on a regular basis in a port, but whether it's for cars or drugs, we don't know. They put aside a certain number of containers each and every day, and they do the inspection on them.

**Ms. Jennifer O'Connell:** Right. That's an important clarification because I think to leave out there to Canadians and to say that not many are being inspected is....

**Mr. Félixpiér Bergeron:** No, they are inspected once they're targeted.

**Ms. Jennifer O'Connell:** Thank you.

You also spoke about increased tagging and technology. I'm curious what that actually looks like. You said that there would be free leases for partners who could come. What does that look like? I know you were limited in your time in your opening statement. I'm just curious about what that is.

**Mr. Félixpiér Bergeron:** Basically, it's a system that's called Tag, but it's not related to the AirTag system of iPhones. It's a technology company that puts devices in the cars and can monitor their movement across the country everywhere. We had them install their own antenna in the port to assess whether there are reported stolen cars in the port so that they can direct the police to come and investigate.

Now we are in the process of adding more antennas so that they can pinpoint earlier and more precisely where the cars are. We've opened up the proposition to any other company that offers such a system.

• (0905)

**Ms. Jennifer O'Connell:** Thank you.

In response to Mr. MacGregor's question, you talked about some of the concerns around the technology for scanning every single container. We've heard about concerns in terms of timing and what-not and how to find...and that's why we announced funding for additional study and research for other technology.

What we hadn't heard before are the concerns, from an employee standpoint, about the radiation of the scanning technology. You said that countries that do currently use this don't have human rights standards. What are some of those countries that use it? There are certain...even mayors and politicians, saying that this is the only thing needed. I think this is an important component.

**Mr. Félixpiér Bergeron:** We've seen that technology being used especially in the Middle East and in that part of the world. Other countries do use that technology. We do use it in Montreal, and the CBSA uses it. The human aspect has to be removed from the area where the scanning is being done. That increases the time when everything is stopped. That's why we have to understand the technology better, and what the impact is on the fluidity of movement.

**Ms. Jennifer O'Connell:** They're not saying there isn't a place for scanning, but that this idea of setting up more scanners and scanning everything through is probably not necessarily feasible. Therefore, these other technologies would be important to do the same work, but without the human types of negative impacts and without slowing it down.

**Mr. Félixpiér Bergeron:** If they do exist, we are open to them, but I need to assess them. A better option would be AI. That is one thing that could increase the success rates of detections.

**Ms. Jennifer O'Connell:** Thank you.

Very quickly, Ms. Gill, you mentioned the regulations under review, and some changes that you could see fit to make. I don't have time to ask what those are, but could you submit to the committee what some of those updated regulations could mean in terms of improving the ability for ports to work with us on this?

**Ms. Anita Gill:** Yes, I will take that away.

**Ms. Jennifer O'Connell:** Thank you.

I'm sorry. I didn't have time for a full question.

**The Chair:** Ms. Michaud, please go ahead.

[*Translation*]

**Ms. Kristina Michaud:** Thank you, Mr. Chair.

Mr. Bergeron, you said earlier that you were willing to consider different solutions. For example, your officers could perhaps have more latitude to open containers or conduct inspections as they see fit.

When I listen to you, I understand that are other authorities are involved. You often say that you do not have access to the information, whereas customs officers do, and that it is incumbent upon the police to take action. Do you feel like you are just a bystander? Would you rather have more responsibilities and be a player in the fight against organized crime?

I know that you already work with partners, but do you feel that it could be beneficial if the port authority had more responsibilities, or do you prefer to leave that to the police or the Canada Border Services Agency? How do you feel about that?

**Mr. Félixpiér Bergeron:** We do not want to obtain the powers or authorizations of other authorities, but we want to be part of the process. We want to help in the best way we can.

There are some improvements that can be made to the process of obtaining and disclosing information so that we can pass it on. Currently, police officers cannot ask us for specific information because we do not have the status of police officers. If we could be part of the committees or part of the investigative processes to be able to pass on or get the information that these police officers need to conduct their investigations, it would probably help them a great deal. However, we are currently unable to help them because we have neither the right status nor access to the information they need, particularly the information on manifests. Only the Canada Border Services Agency has access to it, and they cannot talk to us.

**Ms. Kristina Michaud:** Thank you.

Mr. Chair, I have a suggestion for committee members. I do not know if I can move it now or if I need to move a motion.

Most of the parties have asked questions on the same topic, and we have heard that Transport Canada handles the security screening of employees or people who have access to the ports. However, we have two meetings left, April 29 and May 2. On May 2, I see that the Minister of Public Safety has been invited. Could we also consider inviting the Minister of Transport, with his officials? They may be able to answer our questions on this topic?

I do not know if the committee likes the idea, but I am making that a suggestion. Thank you.

• (0910)

[English]

**The Chair:** That's fine. We can include that in the request.

Thank you. Ms. Michaud, your time is up.

Mr. MacGregor, please go ahead.

**Mr. Alistair MacGregor:** Thank you, Mr. Chair.

I want to go back to my line of questioning about when those 600 cars were discovered and when you worked your way back. How did the majority of those cars arrive at the port of Montreal? How was the container transported? Did they come by truck, or did some come by train?

**Mr. Félixpier Bergeron:** I don't have access to that information. I don't know how the containers got into the terminal.

**Mr. Alistair MacGregor:** I'm sorry. Doesn't the Montreal Port Authority know how each container arrives on its property?

**Mr. Félixpier Bergeron:** I could go back and find out if you want me to. It's a process of investigation that belongs to CBSA and the police of jurisdiction who did the investigation. I could go back and tell you which container came in on which truck with which driver or on which train and in which batch. I can go back and find that information.

**Mr. Alistair MacGregor:** I know that containers are loaded in all manner of ways and in all manner of locations. In a previous life, I worked on a walnut farm. I've seen these big sea containers loaded with raw walnuts. They are closed, and then they are shipped off. Yes, they are tagged. There's a manifest to say that, yes, this container is full of walnuts. That container, once it has been sealed, is then in the hands of a number of different actors to get it from where it was loaded to the port and then onto a ship.

What kind of liability does a transport company, like CN Rail or a trucking company, have or their drivers or railway operators have to ensure that what they're carrying is what's on the manifest?

**Mr. Félixpier Bergeron:** As far as I know, they don't have liability because the container is sealed.

**Mr. Alistair MacGregor:** Would it be preferable, from your point of view, to maybe give a little bit more responsibility to those different actors?

**Mr. Félixpier Bergeron:** Off the bat, I couldn't answer that question, but I would go back to my earlier statement that we need to make accountable the person who put the seal on the container. If the seal is not broken all the way up to the port, there's nothing that happened with what's inside of it. The important thing is, when the seal is put on, who signed for it. Who's responsible for vouching as to what's inside the container? Is it walnuts or cars? That's the weakest point in the link right now, and there is no responsibility for that.

**Mr. Alistair MacGregor:** Okay.

Thank you, Chair.

**The Chair:** Thank you.

We're going to move to Mr. Kurek.

We're reducing it to two and a half minutes, Mr. Kurek.

**Mr. Damien Kurek (Battle River—Crowfoot, CPC):** Thanks very much.

I appreciate our witnesses being here and talking about the conduit side of things.

I want to continue on with that line of questioning.

You're saying that there's no accountability for who's putting the seal on that container that says what is or is not in it. How do we fix that?

**Mr. Félixpier Bergeron:** I'm not the best person to answer that question. Unfortunately, it has to be referred to CBSA or the other agencies that govern those acts. The manifest and all the information for export is governed by CBSA.

**Mr. Damien Kurek:** Do you have anything to add, Ms. Gill?

**Ms. Anita Gill:** No.

**Mr. Damien Kurek:** I'm curious if you could share your observations. We've seen a proliferation of auto theft over the last number of years. In your observations with your law enforcement partners, has law enforcement been able to keep up with this proliferation of auto theft?

[Translation]

**Mr. Julien Baudry:** It is not for us to assess the performance of police services. That said, we must admit that, over the past year, we have seen a resurgence in the number of police actions and seizures. Every time a vehicle is seized, whether it is at the port or before it gets there, it is good news for us. We will continue to support the police. However, we do not have any information that would allow us to measure or evaluate their performance.

[English]

**Mr. Damien Kurek:** When it comes to being able to solve some of these problems, I think a lot of Canadians would be surprised that, when you cross an international border, every vehicle is checked. When you go through an airport, everybody goes through a security scanner. It's a different context in a port, but how do we make sure that we can increase these measures? You're talking about what's on a manifest versus what's in a container. How do we make sure that you are given the tools and that there is approval for new technology? What steps are taken?

Given that I'm probably close to out of time, I would invite our two port authorities to provide suggestions to the committee to make sure that this committee understands, from your perspective, as self-admittedly you're the conduit, what barriers can be removed to ensure that we can stop these vehicles from leaving Canada and going to other jurisdictions where they're being sold, and stop this crime from taking place?

• (0915)

**The Chair:** Thank you, Mr. Kurek.

Mr. McKinnon online, go ahead, please.

**Mr. Ron McKinnon (Coquitlam—Port Coquitlam, Lib.):** Thank you, Mr. Chair.

I'm going to carry on with this matter of seals, as Mr. MacGregor and others have focused on.

Are these seals individually identifiable?

I'll ask Ms. Gill, please.

**Ms. Anita Gill:** I will let Félixpiér answer that question. I'm not as familiar with the seal processes.

Thank you.

**Mr. Félixpiér Bergeron:** I'll be happy to answer that question.

Yes, they are. They have alphanumeric numbers, but there are different types of seals. There are wire seals, chain seals, high-security seals, plastic seals and paper seals. They all have unique numbers.

That might be a fault in the system that probably needs to be reassessed, which is to standardize seals or something, because the only thing we have on the manifesto—the legal paper—is the number. It doesn't say what type of seal it is.

**Mr. Ron McKinnon:** Who are the people who are able to put seals on a container? Apparently, once the seals are on there, it has a certain legal significance.

Do they have to be bonded entities?

**Mr. Félixpiér Bergeron:** That's something the CBSA must answer. I am not familiar with that aspect.

As I said earlier, the accountability part is not very strong in the acts or regulations right now. That's something that needs to be better answered by the CBSA.

**Mr. Ron McKinnon:** What I'm getting to is that perhaps there's a way of examining the seals themselves to determine their origin and to see whether these origins are problematic in terms of stolen vehicles that have already been detected.

I don't know if the ports can do that. Maybe law enforcement has to drill into this.

Could you make any suggestions for making the person who puts on the seal more responsible?

**Mr. Félixpiér Bergeron:** Like I said earlier, the act or regulations have to be revised. Right now, there's no accountability for that.

The act or regulations require seals to be put on and to signify that on the paperwork, but that's the end of it.

**Mr. Ron McKinnon:** I think that's my time.

Thank you, Mr. Chair.

**The Chair:** Thank you.

That's the end of our time with these witnesses.

We appreciate your testimony here today and we thank you for coming.

We'll take a break for a couple of minutes and get ready for our next witnesses.

• (0915)

(Pause)

• (0925)

**The Chair:** I call this meeting to order.

I would like to welcome our second panel of witnesses.

In person, from Service de police de la Ville de Montréal, we have Yannick Desmarais, commander, section head. From Sûreté du Québec, we have Michel Patenaude, chief inspector. Online by video conference, from Intact Insurance, we have Guillaume Lamy, senior vice-president, personal lines, Canadian operations.

We're going to give you each up to five minutes for opening remarks, after which we will proceed to rounds of questions.

Chief Inspector Patenaude, would you like to go first?

**Chief Inspector Michel Patenaude (Director of Criminal Investigation, Sûreté du Québec):** Absolutely.

[*Translation*]

Thank you, Mr. Chair.

I would like to begin by saying hello to all members of the committee. Thank you for giving me the opportunity to testify today.

My name is Michel Patenaude. I have been the Director of Criminal Investigations at the Sûreté du Québec since last December. Prior to that, I spent most of my career fighting organized crime. I have been involved in that fight since 2005.

Vehicle theft is a growing concern in Quebec, where, like our neighbours in Ontario, we have seen a marked increase in this type of activity in recent years. Even if it is a property crime, public safety issues are starting to emerge, such as violence sometimes used to steal a vehicle or dangerous behaviour on the road, such as high-speed driving.

As committee members are no doubt aware, Quebec is the preferred transit point for the export of stolen vehicles from Quebec and Ontario, due to the strategic location of the Port of Montreal. To address the problem of vehicle theft, the Sûreté du Québec implemented provincial coordination measures in March 2022. The coordination began with the Rechercher initiative and continues to this day with other investigations. Over the past two years, this coordination has made it possible to develop partnerships with various key players, including the Canada Border Services Agency and the Port of Montreal. It has also made it possible to provide assistance to various partner organizations, including the Ontario Provincial Police, as well as municipal police forces in Quebec and Ontario. It made it possible to set up a team dedicated to collecting intelligence on exporters of stolen vehicles. This team is currently made up of police officers from the Sûreté du Québec, the Royal Canadian Mounted Police and the police services of the City of Montreal and the greater Longueuil area. In addition, since February 5, the Sûreté du Québec has been mobilizing some 30 members of the joint regional squad on the north shore of the greater Montreal area, on a full-time basis, in order to step up its efforts to deal with the problem of vehicle theft. Eleven municipal police forces on the north shore are taking part in efforts aimed specifically at exporters.

Over the past year, these measures have led to 43 investigations, 402 vehicle seizures, 202 container inspections and 11 arrests. The Sûreté du Québec also participated, along with the Ontario Provincial Police, the Canada Border Services Agency, the Service de police de la Ville de Montréal and the Équité Association, in searches conducted in the Port of Montreal as part of Project Vector, which was carried out by the Ontario Provincial Police. This project, which began in December 2023, resulted in the recovery of approximately 600 vehicles whose thefts had been reported. Finally, a virtual interprovincial and cross-border intelligence team on the export of stolen vehicles has been set up using resources from the Sûreté du Québec, the Ontario Provincial Police, the Royal Canadian Mounted Police and the Canada Border Services Agency. Two Sûreté du Québec officers are also part of the joint team working against vehicle theft in Ottawa, which is led by the Ontario Provincial Police.

Of course, collaboration with our partners is paramount to the success of the anti-vehicle theft activities. As evidenced by actions taken in recent years, the pillars of strong and effective collaboration are the fluid and ongoing exchange of current intelligence, the establishment of joint teams, the conduct of ad hoc joint operations, and mutual assistance among partners.

Finally, after taking part in the National Summit on Combatting Auto Theft organized by the federal government on February 8, the Sûreté du Québec decided to follow the federal government's lead and organize a Quebec symposium on vehicle theft, to be held in Montreal on May 30. I would also like to point out that the Association des directeurs de police du Québec, the Service de police de la Ville de Montréal, the Ontario Provincial Police and the Royal Canadian Mounted Police are involved in organizing this event. The symposium will be an opportunity to bring together public and private partners and share ideas, in the spirit of collaboration and innovation, with a view to assessing the current situation of vehicle theft, identifying new prevention and enforcement approaches in

order to optimize response capacity, consolidate existing partnerships and foster the development of new collaborations.

Thank you, and I look forward to your questions.

• (0930)

[English]

**The Chair:** Thank you, Mr. Patenaude.

Mr. Desmarais, please, go ahead.

[Translation]

**Mr. Yannick Desmarais (Commander, Section head, Service de police de la Ville de Montréal):** Mr. Chair and members of the committee, thank you for inviting the Service de police de la Ville de Montréal, or SPVM, to speak today. As the commanding officer of the investigation projects unit for the city's southern division, I am responsible for the SPVM's activities against vehicle theft.

As you know, vehicle theft is a problem that has become significantly worse in recent years. Montreal is one of the cities that has been hit hard. From 2020 to 2023, the number of theft cases increased by 147% in our territory, which is considerable. These thefts have a significant impact on the victims, both financially and in terms of their sense of safety. There is also a possible link between vehicle theft and gun violence. Suspects are often in possession of a firearm when they are arrested while perpetrating a theft or in the course of an investigation. Our intelligence and various investigations lead us to assume that they acquired these firearms with the significant profits generated by vehicle theft.

This situation has led us, as a police service, to review our ways of doing things and to put in place new strategies to curb this scourge. For example, from 2022 to January 2024, we collaborated on the Rechercher project with our partners at the SQ, the Sûreté du Québec. This investigation project allowed us to send a very clear first message to networks that specialize in exporting overseas, since 39 suspects were arrested and 565 stolen vehicles were recovered.

Still, the problem continued to grow. The shortage of new vehicles and the various breakdowns in supply chains that have not been resolved as a result of the pandemic created a situation where vehicle thefts remain very attractive to criminal organizations.

At the SPVM, our priority has always been to work with our partners. In 2022 and 2023, we continued to build on this approach, which has always produced excellent results. After discussing with our partners at the Canada Border Services Agency or CBSA, the SQ, the Ontario Provincial Police or OPP, the Royal Canadian Mounted Police or RCMP, and the Equity Association, we decided to pursue that approach further.

Theft rings move from one city to another and from one province to another. In order to destabilize them, we must be able to respond vigorously everywhere they operate. The National Summit on Combatting Auto Theft, held in February, confirmed to us that this strategy is the right one.

Just a month after the summit, we carried out a major operation as part of Operation Volcano. Together with the OPP, we arrested 34 vehicle theft suspects in Montreal to bring them to justice in Ontario. Operation Volcano gave us the opportunity to send another very clear message to criminals, which is that there is no border between our provinces and that, no matter where they are, we will arrest them. The arrested suspects were all residents of Quebec. They thought they could get away with stealing vehicles from our neighbours in Ontario. We showed them how wrong they were. This also allowed us to take our level of collaboration with the OPP to a new level. For weeks, our investigative teams worked together in the same premises. We had never seen such close collaboration between our two organizations before.

Closer collaboration between the SPVM, the OPP, the CBSA, the RCMP, the SQ and the Équité Association group has also produced very concrete results as part of Project Vector at the Port of Montreal. This joint project on the ground, which is ongoing, demonstrates the significant strength derived from our collaboration. Between December 2023 and April 3, 2024, nearly 600 stolen vehicles were intercepted at the Port of Montreal.

All these operations, which affect both the bottom and the top of the pyramid, weaken the criminal element. They also undermine the sense of impunity that had gradually taken hold in this environment.

At the SPVM, we also take action against these theft rings with our own investigation projects. For example, last February we disbanded an organization that specializes in stealing vehicles for resale abroad. Nine suspects were arrested and 55 stolen vehicles were recovered. Not a day goes by without our patrol officers on the ground arresting suspects. Also, prevention is key, so we have appeared a lot in the media and have been doing outreach activities in the community.

Our most recent statistics show a 30% drop in vehicle thefts in Montreal in the first quarter of 2024. It is obviously too early to call that a durable trend. However, I think it is the result of a combination of efforts by all partners involved, including police operations and public prevention.

However, in spite of good news, we should not forget that criminal groups are able to adapt. Vigilance and a proactive and agile approach with our partners remain essential if we want to continue reducing these criminal organizations' activities. In order for the reduction to be durable, we must keep up our efforts and continue working together from a national perspective.

● (0935)

[English]

**The Chair:** Thank you, Mr. Desmarais.

We'll now go online to Mr. Lamy.

**Mr. Guillaume Lamy (Senior Vice-President, Personal Lines, Canadian Operations, Intact Insurance):** Thank you, Mr. Chair.

[Translation]

Good morning. My name is Guillaume Lamy, and I am the senior vice-president, personal lines, at Intact Financial Corporation.

[English]

Intact is Canada's leading and largest provider of property and casualty insurance. One in four Canadians from coast to coast count on us to protect their homes, cars and businesses. We play a critical role in managing difficult situations, including accidents and natural disasters.

I want to thank the committee for the invitation to appear today on this important issue.

Intact was pleased to have participated in the national summit on combatting auto theft. I'm encouraged that the discussions remain ongoing as we await the release of the national action plan.

I do want to acknowledge the additional measures announced in this week's budget 2024 that will provide law enforcement with additional tools to combat theft. Intact was pleased to see this continued momentum, and we look forward to future strategic measures.

As we heard at the summit, this is not an issue that the insurance industry, law enforcement, manufacturers or government can tackle alone. This is a national crisis that requires a whole-of-society approach to solve. We look forward to bridging the gap between discussion and concrete action to protect Canadians and promote the well-being of our communities.

At Intact, we have been at the forefront of the auto theft crisis, taking the initial calls and witnessing first-hand the impact of theft on our customers. For more than a year, we have been acting forcefully on multiple fronts to address this growing issue. This includes working closely with provincial regulators to raise awareness around theft trends; partnering with companies such as Tag to offer Intact customers the opportunity to install aftermarket tracking devices on their vehicles, sometimes entirely paid for by us, or at a preferred rate; and ramping up communication efforts through our broker channels to encourage customers to protect their vehicles.

[Translation]

Our efforts to date have certainly helped to prevent theft, but they do not address the source of the problem. The sad reality is that Canada has become a prime target for vehicle theft. As this committee has heard and as predicted, auto thefts have continued to be very high since the beginning of 2024. While this is a national problem, it is most prevalent in Ontario and Quebec.



[English]

The fact is that criminals, including those in organized crime, see vehicle theft in Canada as a low-risk, high-reward crime. The ability to steal vehicles is increasingly easy, and the penalties for doing so are not strong enough. Whether vehicles are exported or revinced, the profit margins are very high. We need to create the change that moves Canada from a target destination, where organized crime groups easily source vehicles, to a country where cars are too difficult to steal and export to bother trying.

What we've seen in the past couple of years is that theft is what I call a whack-a-mole problem. Targeting specific cars for protection only diverts thieves to another make or model and addressing the issue in one jurisdiction drives bad actors to other opportunities.

Intact recognizes that the cost of living remains top of mind for many Canadians. The unfortunate reality is that vehicle theft is a key reason for increasing premiums for all customers.

We all have a role to play in combatting this trend. This is not an issue that's going to subside without continued action.

From our perspective, continued investments in the CBSA are critical to enhanced investigative and enforcement work. We've seen the positive impacts of a coordinated approach between CBSA and law enforcement, which has led to recoveries and seizures at our rail yards and ports over the past few months, and even in recent weeks. This is very encouraging, but we know that there is more work to be done.

In looking at the U.S., we can see where a harmonization of export rules would provide an enhanced level of protection. For example, in the U.S., a vehicle must be presented 72 hours prior to departure as an export requirement. Introducing the same rule in Canada would allow for more vehicles to be searched prior to export, and ensure the actual VIN matches what is declared on the export declaration form.

● (0940)

[Translation]

We know that auto theft rings are thriving in the current environment because they are so adept at using technology to their advantage. The criminal landscape continues to evolve, and this underscores how important it is for us to always stay ahead of the curve.

The motor vehicle safety regulations have not been updated since 2007. This is an issue that urgently needs to be addressed since we absolutely need anti-theft technology and the latest safety measures to prevent theft.

[English]

Finally, information sharing is critical to combatting the trends we continue to see.

We welcome the recent investment directed to Interpol's joint transnational vehicle crime project. Continued targeted investments such as this will lead to the recovery of more stolen vehicles.

Data-driven partnerships and information disclosure between the public and private sectors has been successful in U.S. jurisdictions.

Canada would no doubt see similar success by enhancing the sharing of data.

In closing, I want to thank the committee once again for the invitation and for keeping this critical discussion going.

[Translation]

Rest assured that Intact will always be ready to offer its expertise and resources to ensure the safety and resilience of the community and to protect Canadians from this public safety issue.

[English]

**The Chair:** Thank you, Mr. Lamy.

Were going to start the questioning with Mr. Shipley.

Go ahead for six minutes.

**Mr. Doug Shipley (Barrie—Springwater—Oro-Medonte, CPC):** Thank you, Chair.

Thank you to all the witnesses for being here this morning.

I'd like to start off with the two officers, if I may, and get their opinions on this.

We've heard that auto theft has shifted from being a simple issue of property theft to a complex issue of sophisticated, violent organized crime.

Can you describe how these dynamics have changed in recent years and what you're seeing on the ground in Quebec?

**Mr. Michel Patenaude:** They have shifted in Quebec. We haven't seen the same violence they are seeing right now with carjackings in Ontario, but we do see that the people who are executing the thefts on the ground are willing to put lives in danger to not get caught. We're seeing that.

One thing to keep in mind is that these organized crime structures that are going from the theft to the exportation overseas are very complex organizations, and they all have different roles and responsibilities in the organization. In terms of violence, we're seeing that it is more on the ground and it's more to evade getting caught.

[*Translation*]

**Mr. Yannick Desmarais:** At the Service de police de la Ville de Montréal, we see exactly the same things when it comes to gun violence: We seize firearms every day. In addition, as we know, a violent incident occurred yesterday and Montreal police officers had to open fire. An investigation is under way. This is obviously a very important situation for us, and we believe there is a connection with organized crime.

• (0945)

[*English*]

**Mr. Doug Shipley:** Thank you for that. Hopefully those officers were okay, and they weren't hurt in that altercation you just mentioned.

My next question is for the gentleman from Intact, Mr. Lamy.

Mr. Lamy, I recently had a call from a resident in my riding who has a 19-year-old son who has been driving for three years. They indicated that their son had no tickets and no issues, but that their renewal for their insurance came up this year and it was going to cost an additional \$70 a month going forward. When this resident phoned their insurance provider—and I'm not sure who their provider was—they indicated that the increase was strictly, and this was the answer they received, due to auto theft.

Are you seeing those types of increases, and is that the way this is affecting people who are already struggling with affordability issues across Canada?

**Mr. Guillaume Lamy:** That's a great question.

There are definitely affordability issues, and theft is one cause. We see inflation having an effect on insurance prices across the whole chain. Vehicles are more expensive and more expensive to repair, but obviously theft is one of the major drivers. We've seen the cost of theft really triple for insurance companies between 2018 and today. Just to put things into perspective, at the industry level—not just for Intact—it was \$400 million in 2018, and it had gotten to \$1.2 billion in the last year for which we have data.

Clearly theft is a key driver. That's why we need to address that as a root cause. At the end of the day, insurance companies are paying out for claims, but as you mentioned it is eventually the customers who pay for these through their insurance premiums.

**Mr. Doug Shipley:** Thank you for that answer.

Just to clarify, you mentioned that from 2018 to today... Did you say that insurance rates across Canada have tripled?

Was that your quote, sir?

**Mr. Guillaume Lamy:** No. My quote was that the cost of theft was \$400 million, and now it's \$1.2 billion. The cost of theft alone has tripled.

The insurance premiums have not tripled.

**Mr. Doug Shipley:** I'm glad we clarified that. Thank you.

You mentioned that your company is promoting tags. You did say you offset some of those costs to customers. Could you just expand on that?

Tag, to my knowledge, just shows the location of it. It's not going to do anything to prevent criminals from stealing cars. They don't know if it has a tag in there. How is that benefiting your company or the owner of the vehicle?

**Mr. Guillaume Lamy:** The thing is that, yes, they know there is a tag in there. When Tag installs—

**Mr. Doug Shipley:** How does the criminal know there's a tag in there?

**Mr. Guillaume Lamy:** I'm going to get to that.

Basically, Tag is an aftermarket tracking device. When it's installed in the vehicle, a little etching is done on the window of the car. There's what we call the sticker effect, when the thief sees the model they like and then sees it's protected by Tag, they go to the next-door neighbour who doesn't have Tag and takes that car.

We're seeing that only 1% of the cars that we've seen stolen have Tag installed. Of those, we were able to recover them 99% of the time. It's very effective. Obviously, it doesn't prevent theft, but there is a disincentive.

**Mr. Doug Shipley:** Thank you.

It would be like a home alarm system. A lot of people just put the stickers in their windows whether they have an alarm or not. I see what you mean by that. Thank you.

I think I'm getting short on time.

I'll go back to the two officers.

Mr. Desmarais, recently Yves Francoeur, the president of the Montreal police officers union, told La Presse that sentences for auto theft are minimal and that everyday police officers in Montreal are catching individuals, who are punished with sentences of just a few months.

Do you agree with Mr. Francoeur that we need stricter sentences for these crimes?

[*Translation*]

**Mr. Yannick Desmarais:** Obviously, as a police force, we will always be open to longer sentences.

In February of this year, we conducted an operation in which we arrested nine people and seized 55 stolen vehicles. The two main people in this case are still being detained. For us, that is great news.

• (0950)

[*English*]

**The Chair:** Mr. Schiefke, go ahead, please, for six minutes.

**Mr. Peter Schiefke (Vaudreuil—Soulanges, Lib.):** Thank you very much, Chair.

Before I begin asking questions of our witnesses, whom I'm very grateful have joined us today, I just wanted to put onto the record these three paragraphs.

In 2005, a Department of Justice report found evidence that "minimum sentences are not an effective sentencing tool" and don't offer "any increased crime prevention benefits". In 2007, the parliamentary information and research service found that, "existing research generally does not support the use of a mandatory minimum sentences for the purpose of deterrence".

Most recently, in 2017, a Statistics Canada report concluded that, "Research in Canada and the United States has found no evidence that [mandatory minimum penalties] have deterred crime; rather, some studies suggest that [mandatory minimum penalties] can result in overly harsh penalties and disparities" that "actually increase recidivism".

I'm going to be forwarding those three reports to our analysts in the hopes that we can reference those during the report that we will be compiling.

[Translation]

Having said that, I will now ask my questions. I would like to thank our two witnesses for being here in person, as well as Mr. Lamy, who is participating in the meeting by video conference.

Mr. Patenaude, congratulations on the symposium you will be organizing on May 30. I may be there if I receive an invitation.

I am proud to be part of a government that is trying to tackle the problem of vehicle theft by investing in the Canada Border Services Agency, the people who work on the front lines at our borders, and in the Royal Canadian Mounted Police to reverse the cuts that were unfortunately made under Prime Minister Harper.

In fact, we know very well that you are the ones doing the work on the ground and serving Canadians. In your case, Mr. Patenaude, you serve Quebeckers, while Mr. Desmarais serves Montrealers.

[English]

I'm trying to find an underlying challenge here that brings it all together. There's been this frame that this is a Canadian problem, but we know, looking around the world, that thefts have doubled in the United States. They have gone up significantly in Italy and in Europe as a whole. New Zealand actually has the record for the most thefts per capita. It's skyrocketed around the world.

I'm trying to find out what the problem is that we need to be attacking, aside from finding solutions like investing in the CBSA and in our police forces to catch the criminals and get those cars back.

Something I brought up in previous committees when we had testimony from auto manufacturers was this: Are cars just easier to steal right now? We had testimony from some police officers who said they're catching 18-year-olds and 17-year-olds. My honourable colleague from the Conservatives mentioned that a 15-year-old was caught stealing a vehicle by purchasing something on Amazon for \$100.

This is a question I have for both of you, as well as for Mr. Lamy. Is part of the problem that it is just easier right now to steal vehicles?

I'll start with you, Mr. Patenaude.

**Mr. Michel Patenaude:** I think that's one of the problems. I don't think there's a silver bullet. I don't think there's one solution. There are many facets to this problem, and that's why the partnerships are so important.

Definitely, it's easier to steal. The technology is definitely a problem. One of the four recommendations by our president of the AD-PQ is to legislate the automakers. At the Sûreté du Québec, we have many private and public committees that we sit on. We discuss different problems in terms of what we see and observe, and we share with them to work towards solutions.

**Mr. Peter Schiefke:** Thank you very much.

[Translation]

Mr. Desmarais, do you want to add anything?

**Mr. Yannick Desmarais:** To answer part of your question, last year there were 550 arrests. Fifty percent of the individuals arrested were between the ages of 15 and 25.

**Mr. Peter Schiefke:** That is incredible.

**Mr. Yannick Desmarais:** Obviously, this situation is of concern to us. On the other hand, as Mr. Patenaude said, the work we must do has many facets. Manufacturers are partly responsible, but the responsibility must be shared by all partners.

**Mr. Peter Schiefke:** Thank you.

[English]

Monsieur Lamy online, do you think cars are just easier to steal now? It's costing your industry billions of dollars, and that is being transferred along to Canadians.

**Mr. Guillaume Lamy:** Definitely. I'll echo what Mr. Patenaude was saying. It is a multi-faceted issue and it needs a whole-of-society approach, but clearly manufacturers have their part to do.

The motor vehicle safety regulations were last updated in 2007 with tough protection standards from 1998. Obviously, cars are not made the same way today as in 1998. To us, that's an important part.

**Mr. Peter Schiefke:** Thank you, Monsieur Lamy. I appreciate that very much.

My honourable colleague Mr. MacGregor, in a previous meeting, spoke about technology and the fact that we have, on our phones, verification. I have to do three things for my phone to be able to recognize me, particularly my parliamentary phone.

Would it be helpful to you and your members, who have to deal with these car thefts, for the cars themselves to have multifactor identification? Instead of just having a key, which you can offset by buying something on Amazon for \$100, perhaps they should have the screen used as a keypad or other technology.

Would that be helpful and free up resources that you could better put somewhere else in tackling crime? What are your thoughts?

● (0955)

**Mr. Michel Patenaude:** Absolutely. That would definitely be helpful. It's another tool we'd have in our toolset, but, as we've seen in the past, organized crime has adapted to what we've put forward. We have to keep—

**Mr. Peter Schiefke:** You have to keep vigilant.

**Mr. Michel Patenaude:** —vigilant and keep the pressure on.

[*Translation*]

**Mr. Peter Schiefke:** Mr. Desmarais, you have the floor.

**Mr. Yannick Desmarais:** As Mr. Patenaude said, and we agree, technology can always be circumvented. However, the main obstacle thieves now have to overcome is to get inside the vehicles, not to connect to the OBD system. It is easier to steal a vehicle today than it was 10 years ago.

**Mr. Peter Schiefke:** Thank you.

Mr. Lamy, you have the floor.

[*English*]

**Mr. Guillaume Lamy:** I'm not an expert in car security, but what we see in our data is a big gap between manufacturers, so clearly some know how to protect and some don't. Raising the bar for everyone is part of the solution.

**Mr. Peter Schiefke:** Thank you.

Mr. Chair, I know I'm out of time, but given the testimony we've just heard here, perhaps it would be good for us to invite the presidents of the car manufacturers like GM, Toyota, Volkswagen and Chrysler to join us here in committee to perhaps respond to some questions about what they're doing to make cars harder to steal.

Thank you.

**The Chair:** Thank you.

Ms. Michaud, you have six minutes, please.

[*Translation*]

**Ms. Kristina Michaud:** Thank you, Mr. Chair.

Witnesses, thank you very much for being with us.

We have already heard from quite a few people as part of our study. Yet we find that people are pretty quick to blame others. You have heard from representatives of the Montreal Port Authority, who testified before you. They said that these crimes did not occur at the Port of Montreal and that they were perpetrated before and after the vehicle being there. That statement may be defensible, but I think a certain amount of responsibility has to be assumed here. The manufacturers say that the problem is not the car, but the thief. That said, everyone is trying to work together, and the partnerships

sought in this project are a very good idea. Also, we are seeing results, which is encouraging.

Mr. Desmarais, you mentioned that criminal organizations were involved in this. You can see that since you fight the same type of organizations in other domains. We know that car theft is used to fund other criminal activities. It is not necessarily easier for you, but since you are already involved in this kind work, you could help arrest the thieves, put them behind bars and return the vehicles to the owners. After all, you may be the most important partners. I am glad you are here.

I liked my colleague's question earlier about how, once you arrest someone, you can trace them back to the source. The people from the Montreal Port Authority and the Canada Border Services Agency seemed to be saying that they did not have that information.

Suppose you are able to recover a vehicle from a container. How is it possible to trace it back to the source, even though I know you cannot divulge investigative secrets? Earlier, I tried to get the Montreal Port Authority representatives to tell me the process that is followed from the moment someone with a business decides to put goods for export into a container, which is already sealed when you arrive. When you go back through all these steps, do you come across any bigger networks? How does it all work?

We can see that these actions are producing results, at least I think so, but can both of you provide us with more details on this?

**Mr. Michel Patenaude:** As I said earlier, the structure of organizations involved in vehicle theft is complex. There are different roles. Thieves are in the field and are now younger. There are also customers, exporters and overseas buyers. The aim is certainly to attack all levels of organizations, from the lowest to the highest, as well as internationally. That's why it's important to work together.

Every time a vehicle is seized or we get information, intelligence is very important to go further in the investigation. That is key to coordinating our investigations. It is essential to have the right information, to analyze it and use it in real time to coordinate and direct our investigations. So it is important to have the information about the carrier and the exporter, and consolidate it to see the different patterns at play and to target our investigations.

● (1000)

**Mr. Yannick Desmarais:** Much has been said, but I would add that, on our side too, intelligence is very important. Between police agencies, I do not necessarily see a problem. On the other hand, with partners such as the Canada Border Services Agency, we sometimes have to fill out certain documents to obtain this information, which can slow down certain investigations where we should be acting quickly. It is crucial that information flows easily between agencies.

**Ms. Kristina Michaud:** Thank you.

Before opening a container at the port, for example, you need a warrant. So you must have reasonable grounds to believe that a crime was committed. Does that also slow things down? I understand that a warrant is usually necessary to conduct a search, but might there be a better way of doing things?

Do time constraints sometimes mean that you have to let some things go because perhaps you did not have time to get a search warrant? Do you sometimes suspect there are stolen vehicles in a container but do not conduct a search because you think it's not up to you? How does all of that work?

**Mr. Yannick Desmarais:** The various police services do their work, with legal authorization. There is no problem with that: We state what the ongoing investigation is and open the containers together. On the other hand, if the police officers working at the port—whether they are from the Sûreté du Québec, Montreal city police, or other police services—were to have additional powers to open containers, that would certainly facilitate matters.

**Ms. Kristina Michaud:** Okay, that's interesting.

According to Mr. Pierre Brochet, the president of Quebec's association of chiefs of police, the ADPQ, the security screening process for people working at the port could be transferred to the police. It was noted earlier that Transport Canada is responsible for that, but that there might be some flaws in the process. What do you think? Are your hands full or do you think that is a good idea?

**Mr. Michel Patenaude:** That is certainly an issue we have heard about, and a potential solution. There is a division within the Sûreté du Québec that does security screening of certain people. So that is a possibility.

On the other hand, if we need to focus on alleviating the crisis, I'm not sure that would have the greatest impact in the short term. In my opinion, we need to go after the rings, process the information received quickly, and work hand in hand with our public and private partners to identify the criminal organizations that are orchestrating things from start to finish.

**Ms. Kristina Michaud:** Thank you, Mr. Patenaude.

[English]

**The Chair:** Thank you, Ms. Michaud.

We'll move to Mr. MacGregor, please, for six minutes.

**Mr. Alistair MacGregor:** Thank you very much, Chair.

Thank you to all of our witnesses for offering your expertise.

I am interested in deterrence, in wanting to make thieves afraid of being caught. In my home province of British Columbia, in the early 2000s we had remarkable success with the bait car program. It drove down auto thefts significantly. In fact, some of the most wanted car thieves were apprehended in such a way. In fact, I can remember the Province of B.C., in partnership with the various police forces, directly warning criminal organizations. They spent money on television advertisements. There were posters. There were even videos, from inside the car, showing the moment when the car thief realized they had been caught. I remember that they would show images of different cars at different locations, and say,

“One of these cars is a police bait car, but you don't know which one.”

I would just like to hear about your respective jurisdiction's experience with the use of bait cars. What level of success have you seen? Do you see value in putting more resources into it? Can you expand on that, please?

[Translation]

**Mr. Yannick Desmarais:** Bait cars are indeed a good investigation technique. On the other hand, our focus is the organized rings. When bait cars are used, no particular group is targeted. So we lose some time with that kind of investigation. That said, it is also an excellent solution. For my part, I would focus more on targeting the theft and export rings.

[English]

**Mr. Michel Patenaude:** I would echo the same thing. We're really concentrating right now on looking at the networks that are exporting and that are hiring and recruiting young adults to do these crimes. We're really looking at dismantling that. I think bait cars solve part of the problem, but not the bigger problem that we're looking at.

**Mr. Alistair MacGregor:** I know that these criminal organizations, by process of evolution, in order for them to survive, have to be very smart in their operations, very compartmentalized. When a criminal organization directs one of its low-level members to steal a car, and one is stolen, in your opinion and experience, when is that organization at its most vulnerable? Where is your best point for interceding?

Is it in the initial moments after the car is stolen? Is it the natural choke points at the ports? We're just trying to understand, as a committee, where we can best direct federal resources.

● (1005)

**Mr. Michel Patenaude:** I think that for us the strategy is really to target more of the networks and the exporters, the ones that are in contact with the clients overseas, the ones that have contacts with people on the ground. They're the ones pulling the strings. They're the ones who are hiring and recruiting. There are recruits—lots of them.

[Translation]

That takes manpower.

[English]

If we really want to have an impact and really want to dismantle and lower this crisis, we have to go to the people pulling the strings and concentrate on the networks that are exporting and transporting and have the contacts with the people overseas.

**Mr. Alistair MacGregor:** We've heard from previous witnesses about how the average age of people involved in stealing cars is getting lower. We've heard age ranges from 15 to 22. Like Mr. Schiefke, I'm amazed that someone that young can overcome a car today with all of the advertised technology in it. However, when you apprehend these young individuals, what kinds of patterns are you seeing with regard to their backgrounds?

Also, given the nature of the criminal organization that they work for, is it relatively easy to get them to turn into an informant, or is there a threat of violence that's preventing them from assisting you?

**Mr. Michel Patenaude:** I'm not going to go into too much detail on the last part of your question, but what I can say is that we do see a the recruitment of street gangs that have a history of violence, of narcotics. That is a certain clientele that is being hired by these criminal organizations to do that, but it's not 100% of the people as well. It varies.

[Translation]

**Mr. Yannick Desmarais:** That concerns us of course, because people between the ages of 15 and 25 are being recruited. We have even seen cases of young people travelling from Montreal to Toronto to steal vehicles, where they were tortured if they did not want to steal them.

We do need to focus on those young people, but we also need to cut off the flow of money going into organized crime, which is why teamwork is important.

[English]

**Mr. Michel Patenaude:** I would just add something to that. I think this is a good opportunity to do some prevention as well with these young offenders, like we did with the gun violence in Quebec. They're being recruited and they're vulnerable. I think the education piece is very important, and the prevention piece is very important too with these young offenders.

**Mr. Alistair MacGregor:** As police officers, would you both endorse further resources in reaching out to these young people before they get caught up in this criminal world?

**Mr. Michel Patenaude:** Absolutely.

**Mr. Alistair MacGregor:** You've seen remarkable success in those type of programs.

**Mr. Michel Patenaude:** Absolutely.

**Mr. Alistair MacGregor:** Wonderful. Thank you for that.

Just as a final conversation, we have heard frustration from police that sometimes they find repeat offenders back on the street again committing the same crime. We know in the Criminal Code that tools do exist to increase sentences based on aggravating factors and a person's history.

In your relationship with Crown prosecutors, why are those existing tools of the Criminal Code not being used somehow in some cases to police officers' satisfaction?

[Translation]

**Mr. Yannick Desmarais:** We certainly have excellent relationships with the various prosecutors, whether young people or adults are involved.

In many cases, however, the young people we arrest on the street have no criminal record. In those cases, we have to use the tools at our disposal, which means releasing them. So I think we have to work on that and also reach out to young people through prevention because they can make a lot of money stealing cars. That is a real draw for them.

[English]

**The Chair:** Based on the time, we're going to move to two and a half minutes.

Mr. Lloyd, you're up.

**Mr. Dane Lloyd (Sturgeon River—Parkland, CPC):** Thank you, Mr. Chair.

My questions will be directed to the officers present.

Some commentators have argued that these auto thefts are essentially victimless crimes and that we're dealing purely with property theft. Some commentators have argued that, not only are minimum sentences and stiffer sentences ineffective, they would be unjust—an opinion that I obviously do not agree with. We know this is not a victimless crime. Organized crime isn't putting the massive profits they are making off these stolen vehicles towards beneficial uses for society.

I'm hoping you can illustrate to us what your intelligence is telling you about what the profits from auto thefts are doing in our country. Are they contributing to firearm violence? Are they contributing to our drug epidemic? Can you give us some more details and context about what these stolen vehicles are paying for in our country?

• (1010)

[Translation]

**Mr. Yannick Desmarais:** As to the intelligence relating to firearms, and with regard to homicides as well, we see clearly that there are people directly linked to vehicle thefts. When we conduct searches to seize equipment used in vehicle thefts, we seize firearms on a regular basis. So there is really a direct link between vehicle thefts and access to firearms and money.

[English]

**Mr. Michel Patenaude:** I would add that what we're seeing is organized crime being very good at adjusting to the opportunities out there, in order to make a lot of money quickly. We see it with fraudulent activity. Organized crime has shifted into that. Now it has shifted into car thefts as well. I think what we're seeing is organized crime adjusting to the markets available to it.

On our end, right now, our intel hasn't seen too much financing of other criminal activities. What we see is the same organized crime taking advantage of different markets of criminality.

**Mr. Dane Lloyd:** It's my last 30 seconds.

You are seeing a direct link between organized crime stealing these vehicles and profits being put into violent activities, such as homicides, gun-running and the drug epidemic. You are seeing a strong connection between these two factors.

[*Translation*]

**Mr. Yannick Desmarais:** Yes, there certainly is a link. Even in some cases of arson—

[*English*]

**Mr. Dane Lloyd:** Would you say that it's a victimless crime, yes or no? Stealing and auto theft are not victimless crimes.

[*Translation*]

**Mr. Yannick Desmarais:** Yes, there are victims. It is not just vehicles being stolen and people losing money.

[*English*]

**The Chair:** Thank you.

Thank you, Mr. Lloyd.

Mr. Bittle, go ahead, please, for two and a half minutes.

**Mr. Chris Bittle (St. Catharines, Lib.):** Thank you so much.

That was a bizarre straw man, because I don't think anyone here, from what I have heard, said this is a victimless crime.

Monsieur Desmarais, maybe it was something in the translation, but you said you were concerned about young people being released on bail—those who didn't have a criminal record.

Is it your recommendation that young people without a criminal record should be incarcerated pretrial? Is that something that should happen in all cases?

[*Translation*]

**Mr. Yannick Desmarais:** No, I think each case is unique. We need to properly assess the risk of those young people reoffending. We would not automatically detain every one of those people, but if we had more powers, like a police force, that would of course make things easier for us.

[*English*]

**Mr. Chris Bittle:** Thank you.

There was some discussion about sentencing being minimal. We talk about it in the Criminal Code. I believe auto theft has a maximum of 10 years, but I understand, hearing from multiple police services, that we're not seeing those sentences issued, even in the most severe cases.

My question, though, is with respect to other sections of the Criminal Code on continuing criminal enterprises.

To both of you, are your police services charging people under those sections and capturing the organized crime element of it, in order to get those sentences higher due to the severity and the inclusion of organized crime?

**Mr. Michel Patenaude:** There are different types of investigations. There are shorter-term and longer-term ones. When we investigate the longer-term ones while trying to dismantle a criminal or-

ganization, we're trying to acquire all the evidence to support organized crime charges.

In Quebec, our director of criminal and penal prosecutions is in charge of laying the charges, so it's not the police. What we do is give them all the evidence we have collected, and they decide what charges are going to be laid.

**Mr. Chris Bittle:** I only have a few seconds left, so thank you so much.

**The Chair:** Thank you, Mr. Bittle.

Ms. Michaud, please, you have two and a half minutes.

[*Translation*]

**Ms. Kristina Michaud:** Thank you, Mr. Chair.

I have three questions for our witnesses and will ask them all at once. Take your time answering.

You talked about the need to focus on the people who are pulling the strings, the heads of the stolen vehicle export rings. It is often said that the CBSA's mandate is focused more on imports than exports, and that it is more concerned with what is coming into the country than what is going out, because what is going out is no longer our responsibility.

Do you think its mandate should be changed in particular because of the rise in vehicle thefts in Canada in order to look more closely at what is being exported? I imagine there are a lot of other things that are being exported illegally.

• (1015)

**Mr. Yannick Desmarais:** Since 2018, we have been working with our partners at the port of Montreal, including the Sûreté du Québec and the RCMP, and we notice every week that much more attention is given to what is imported than what is exported, naturally, to protect the country. That prevents us from doing more, and the volume is lower.

**Mr. Michel Patenaude:** I would add that, since March 2022, we have been working with the Montreal city police and the CBSA to enhance their ability to search containers. One of the goals of our investigations is to stop the vehicle thieves and dismantle their ring before the vehicles even get to the port.

**Ms. Kristina Michaud:** To your knowledge, do the criminals who export stolen vehicles need someone on site at the port of Montreal to facilitate their operation, or does that happen before the container is sealed?

**Mr. Yannick Desmarais:** No, our investigations show that is not the case. We also need to boost the CBSA's ability to check containers.

**Ms. Kristina Michaud:** You talked about young people who get caught and who are drawn into criminal networks. We are wondering whether sentences should be increased or minimum sentences should be reinstated. Do those young people consider the risk of getting caught and going to jail before they commit those crimes? Do you think they are aware of the sentence they could receive or do they get drawn in without thinking of the consequences?

**Mr. Yannick Desmarais:** Not only are they aware, but they film themselves inside the vehicles while being followed by the police to make fun of the situation. As Mr. Patenaude said earlier, we need to focus on educating those young people, while also focusing on enforcement. Both are important.

**Ms. Kristina Michaud:** Thank you.

[English]

**The Chair:** Thank you.

Mr. MacGregor, you have two and a half minutes, please.

**Mr. Alistair MacGregor:** Thank you, Chair.

I'll just limit myself to one question and I'll invite both of you to weigh in.

In our first hour of today's meeting, we heard from representatives of the Montreal Port Authority. They were discussing some of the legislative limitations they have. Of course, our ports are creatures of the federal government. They operate under a federal government mandate. Transport Canada is a federal agency that's also heavily involved.

From your perspective, when you look at the important role that port authorities play in Canada, do you think it would be helpful for this committee to recommend some legislative changes? Do you think it would be helpful in your investigations to have port authorities have a more active role in this? Do you see any limitation in what their current role is and what you wish they could have in terms of more inspections of containers, etc.?

I just want to get your perspective on that.

**Mr. Michel Patenaude:** I can start.

One of the recommendations of our president of the ADPQ, Monsieur Brochet, was to address the declaration on the manifest, so having some kind of legislation concerning that, because we know that the manifest can be changed once the.... That's one of the aspects, and we agree with that as well. That's another aspect that could be helpful, as you said.

I think we have to continue working at Project Recherche. In our investigations, and for the SPVM as well, we all work closely with the CBSA, but also with the port authority in Montreal. It's important to keep that line of communication going up and helping. Addressing, as Mr. Brochet said, the manifest problem would be definitely helpful.

[Translation]

**Mr. Yannick Desmarais:** To add to what Mr. Patenaude said, I think it would be extremely important to establish a period of time before the container can enter the port so we can examine the goods. For example, a period of 72 hours could be set to make sure the information gets to the police services or the CBSA to allow for more checks.

• (1020)

[English]

**The Chair:** Thank you.

Thank you to our witnesses. It's very informative. We appreciate it.

Just before we get to the adjournment, I wanted to mention that we shouldn't forget that the Ukrainian delegation is coming in right after.

Also, Mr. Caputo, you wanted to raise something.

**Mr. Frank Caputo:** Yes, thank you, Chair. I'll be fairly brief.

My understanding—and I recognize I'm new to the committee here—is that Mr. Schiefke and Ms. Michaud have both suggested that we have further witnesses appear. I'm wondering if there is an appetite for the committee with unanimous consent to extend this study for two extra meetings, given that I think we would be prepared to put forward some more witnesses as well. I'm not sure if anybody wants to discuss that at this point.

**Ms. Jennifer O'Connell:** Mr. Chair, it's my understanding that you are still having trouble filling all of the existing meeting spots with witnesses, so I think we can accommodate.... We still have two more meetings. Is that correct?

**The Clerk:** We have two more meetings. One meeting is already full, but waiting for some invitations. For the last meeting, the sixth one, both ministers are invited.

**Ms. Jennifer O'Connell:** There would be a second panel then, so we could have room for.... Ms. Michaud's would be for the Minister of Transport, and that would be accommodated there. Mr. Schiefke has suggested one. If the Conservatives would like to suggest one and the NDP, we could fit it in the second panel. I don't think two extra meetings when we've had panels with only two or three witnesses...we can accommodate within.

**The Chair:** Mr. Shipley, go ahead please.

**Mr. Doug Shipley:** I'll be quick because I know we do have other things to get going to.

I think we've learned a lot in this study. I think Mr. Schiefke brought up some good points. He missed quite a few manufacturers. I know we had Toyota stay after one meeting, and it was incredibly informative. I know it was a cold day, but I went out in the parking lot with them. It was good. We learned a lot.

I don't want to rush through this. I want to do this properly. I know Ms. Michaud mentioned perhaps we could have some staff, not just the minister, from that area also attend. I think two meetings is very reasonable. We're not asking a lot. This has been a very informative study.

**The Chair:** Can I make a suggestion? Can you leave it with the clerk and I, and we'll take whoever your request for witnesses and see if we can build it into an appropriate schedule. Is that okay? If it's two, it's two. If it's three, it's three. It doesn't matter to me. Is that okay, Mr. Caputo?

Ms. Michaud, I'm sorry. Go ahead.

[Translation]

**Ms. Kristina Michaud:** Thank you for the suggestion. Since I suggested the study, I am certainly in favour of extending it.



If I may ask the clerk, would you like us to send you other witness suggestions that have not been discussed today so they can be added to the list? Did I understand correctly?

**The Clerk:** Yes, you could do that.

That being said, not all the witnesses on your list have been selected for the committee's study as of yet. So we can either consider new witnesses or take names from the current list.

[*English*]

**The Chair:** Ms. O'Connell, go ahead please.

**Ms. Jennifer O'Connell:** First of all, just to clarify, we don't just accept any number of witnesses. It has to be proportional. I think if there is an opportunity to add one or two, we can submit additional names, but we're not agreeing at this point to necessarily add more

meetings. Frankly conversations about witnesses and meetings would be done in camera. If we're going to have that further conversation, we can, but we can see what space is available and then we can determine if there is unanimous consent.

**The Chair:** Thank you.

Mr. Motz, go ahead please.

**Mr. Glen Motz:** If you look at the witness list that was submitted and the witnesses who have been here, I believe that all parties still have witnesses who are on that list who could come. We don't have to add anybody new to it. Other than the odd one or two, there are a lot of witnesses we can still call who are on the list already.

**The Chair:** Okay.

The meeting is adjourned.

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