

2007
REPORT on ORGANIZED and
SERIOUS CRIME



Criminal Intelligence Service Alberta

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INTRODUCTION

Aim

The aim of this report is to inform the Alberta Solicitor General and the citizens of Alberta about the nature of organized criminal activities in Alberta and, by extension, the Northwest Territories which forms part of the mandate of Criminal Intelligence Service Alberta (CISA). The contents also appear in a Restricted report that was provided to the CISA Executive Committee and Criminal Intelligence Service Canada (CISC) in mid-April.

There is no lack of criminal activity requiring law enforcement attention, whether by individuals or by criminal organizations. This year's report, however, strives to sharpen an understanding of the differences in levels of criminality with an emphasis on seeking after the more dangerous manifestations of organized crime.

Limitations

This year, the opportunity arose to challenge conventional thinking which will serve as the impetus for change in the future.

In order to meet the needs of CISC, each criminal organization that was identified by the intelligence community was also subjected to a cursory assessment with regard to the criminal roles of key members, the sphere of criminal operations and methods of laundering the proceeds of crime. As a consequence, these groups were categorized into threat levels in the mid and lower range. This exercise resulted in the identification of important gaps in overall intelligence knowledge which, in turn, will lead to the formulation of new courses of action.

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EXECUTIVE SUMMARY

The record-setting economy of 2006 (forecast to continue for a number of years albeit at slightly lower levels) is taxing on police resources responsible for maintaining social order. Reports from municipal and federal police services throughout Alberta and the Northwest Territories describe increases in property theft, drug distribution, gang violence and social dysfunction.

Annual statistics captured by Uniform Crime Reports (UCR) show declines in many crime categories, however, the five-year trend points to an alarming increase in serious crimes.

The majority of intelligence work is expended on criminal groups involved in the illicit drug trade. Among competing groups there is one that surpasses all the others with their drug products being provided in some measure to virtually every reporting city and town, even in the midst of activities by other criminal groups.

Highlights concerning other criminal groups include the involvement of Aboriginal street gangs in selling drugs on First Nation Reserves; the role of members of the Hells Angels as enforcers; and the emergence of criminally active African and Jamaican males who belong to self-named gangs.

Crack cocaine was reported as the most prevalent drug in the majority of regions last year. Given the fact that cocaine is consumed in Canada and that high-potency marihuana is being sent to the United States, the roles of drug groups in Alberta should be further explored.

Of the 54 criminal groups brought forward for this year's report, the majority are active in the retail distribution of illicit drugs on the street. Four of these groups are considered to be Mid-level Criminal Threats. None of the identified groups were placed in the Higher Level Criminal Threat category.

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OVERVIEW OF ORGANIZED AND SERIOUS CRIME

The Current Environment

It's a gusher! The discovery of oil in 1947 and the economic boom of 2006 have charted the course of history in Alberta. Phenomenal economic growth is feeding off rising prices created, in part, by increased global demand for oil with the emerging economies of India and China.

At the start of 2006, Alberta's established oil reserves amounted to 28 billion cubic metres (the equivalent of 174 billion barrels). This places Canada second in the world, after Saudi Arabia's 42 billion cubic metres (Iran and Iraq follow, with 21 and 18 billion cubic metres respectively).¹ Adding to the increased world demand are disruptions to supplies which have exerted upward pressure on world crude oil prices.

Currently, close to \$100 billion in new projects are slated in Alberta's oilsands.²

The need to employ workers - not only in the oil and gas sector but within business and service industries responding to the population swell - is changing the environment in Alberta and the Northwest Territories. The arrival of new residents from across Canada and other countries is outpacing civic infrastructure and the need to respond to a burgeoning population is being felt by virtually everyone. In terms of the law enforcement community (excluding, in this discussion, other aspects of the judicial system such as the courts and correctional institutions) there too will be an effect - and a toll - accompanying increased efforts to maintain social order.

In anticipating potential trouble spots, the sheer volume of people taking up residence in municipal and rural locations is a consideration. The problems associated with harmful lifestyle choices facilitated by increased incomes may predominate law enforcement attention.

¹Statistics Canada, September 2006, *Boom Times: Canada's Crude Petroleum Industry*, Catalogue no. 11-621-MIE2006047, pp. 4, 5.

²Edmonton Journal, Gary Lamphier, *PCL Construction Builds Itself a Very Good Year Indeed*, January 11, 2007.

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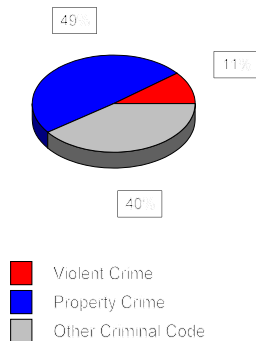
Alberta and Northwest Territories

While there are no known studies that define how the “organized crime pie” in Alberta and the Northwest Territories works in practice, it may be safe to assume that the current helm of control in the underworld will not be compromised during this period of prosperity. Criminal organizations of significance will retain their positions within a sub-culture governed by its own rules. It is suggested that the bulk of police intervention will become increasingly necessary at the street level where social network breakdowns (domestic and labour-related) as well as competition among lower level criminals will manifest themselves with greater frequency.

It’s difficult to quantify the proportion of crime that is attributable to organized crime. The reason is foundational - what constitutes *organized crime* as distinct from a *criminal organization* comprised of “three or more persons ...” for profit? (*Section 467.1(1) Criminal Code of Canada*) While this question is under study in Canada, crime statistics provide a picture of what has been occurring.

The reporting of incidents by police agencies in Canada is collated according to general offence categories. The charts below depict the distribution of reported offences in Alberta and the Northwest Territories in 2005 for the three Most Serious Offence categories.

DISTRIBUTION OF OFFENCES
Province of Alberta
2005



DISTRIBUTION OF OFFENCES
Northwest Territories
2005



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Alberta and Northwest Territories

The overall crime rate in Alberta increased by almost 15% between 2000 and 2005 (although from 2004 to 2005, the rate dropped 5% due largely to a reduction in counterfeiting offences). *When discussing the crime rate, calculations are based on the number of reported incidents per 100,000 population. This, then, allows for comparisons to be made between geographic areas with varying populations. The overall crime rate includes Criminal Code incidents within the Violent Crime, Property Crime and Other Criminal Code categories only.*

Criminal offences showing the largest increase over the five-year period appear in the chart below.

<u>Offence</u>	<u>Percent Increase in Crime Rate</u>	<u>Actual Number of Incidents in 2005</u>
<i>Homicide</i>	70%	109
<i>Disturbing the Peace</i>	64%	27,865
<i>Offensive Weapons</i>	61%	2,826
<i>Attempted Murder</i>	47%	56
<i>Aggravated Assault</i>	41%	542
<i>Motor Vehicle Theft</i>	31%	21,231
<i>Assault With a Weapon</i>	30%	5,705

What this shows is that serious crime in Alberta is increasing at a rather alarming rate!

Looking to Canada's North, a unique crime picture emerges. The crime rate is so high that it is commonly calculated on the basis of incidents per 1,000 instead of 100,000 population as for Canadian provinces.

The overall crime rate in the Northwest Territories increased by 45% between 2000 and 2005 (although from 2004 to 2005, the rate dropped a mere 2%). According to 2005 statistics, the following five communities have the highest crime rate.

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Alberta and Northwest Territories

Community	Crime Rate Per 1,000	Actual Number of Incidents in 2005	Total Population
<i>Fort McPherson</i>	1,124	925	823
<i>Fort Good Hope</i>	904	521	576
<i>Tuktoyaktuk</i>	787	780	990
<i>Inuvik</i>	695	2,247	3,521
<i>Fort Resolution</i>	661	353	534
TOTAL NWT	412	17,728	42,982

*Note: The number of incidents in Fort McPherson exceeds the number of people.

What this shows is that northern communities suffer from a significant amount of criminal activity! The contributing factors - which are linked to social conditions - should serve as a warning for all communities.

Historically, crime rates have tended to be highest in the Territories and higher in the western provinces than the East.³ A recently published study of the factors contributing to substance abuse in the town of Hinton (located less than 300 kilometres west of Edmonton) captured the social conditions of this resource-based community before and during the current economic boom. The findings show how debilitating family and social relationships are a part of the history of resource-based communities wherein a culture of coping and an inter-generational transfer of behaviours associated with the abuse of alcohol and drugs exist.⁴

³ Statistics Canada, *Exploring Crime Patterns in Canada*, Valerie Pottie Bunge, Holly Johnson and Thierno A. Balde, Catalogue no. 85-561-MIE2005005, June 2005, p. 38.

⁴ *Beyond Boredom: Contributing Factors to Substance Abuse in Hinton, Alberta*, Angela C. Angell, John R. Parkins and Norah A. MacKendrick, September 2006, p. iii.

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Alberta and Northwest Territories

This truism was noted in the Northwest Territories where the continual cycle of population turnover is having a negative impact upon indigenous people, their cultures and communities. The high crime rates in the North reflect the consequences of social dysfunction, for it is the stability of a community that supports its health. The main policing concern related to a non-renewable resource economy is the cycle of ups and downs that it generates. Crime rates rise when a community's economic fortunes rise, but they also rise when the resource is exhausted or when market conditions shut down operations. If prosperity cannot be sustained until crime can level off and decline, then the crime rates become steps in an irreversible process.⁵

A recent study of the statistical relationships between changes in crime rates and socio-economic trends in Canada between 1962 and 2003 supports these hypotheses. One finding revealed a corresponding change in homicide rates in the same direction that increases or decreases in the rates of unemployment or rates of per capita alcohol consumption move.⁶

A survey of Canadians' use of alcohol and other drugs reveals a pattern indicating lifetime rates of alcohol-related harms are consistently higher in the five provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Prince Edward Island. In terms of harms experienced over the past year because of others' drinking, significantly higher rates tend to be reported in the four western provinces.⁷

In the segments which follow, the existence of traditional crime issues are apparent i.e. substance abuse, domestic violence and the profitability of stolen goods. Whether by design or out of necessity, current intelligence practice gravitates toward one fundamental area of involvement, the illegal trade in drugs. Nevertheless, such efforts remain a poignant reminder that the criminal activities of the conscienceless against the susceptible strikes at the heart of ordinary society.

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⁵Royal Canadian Mounted Police, "G" Division Environmental Scan, Federal/Territorial Edition, 2005, p. 11.

⁶Statistics Canada, *Exploring Crime Patterns in Canada*, Valerie Pottie Bunge, Holly Johnson and Thiermo A. Balde, Catalogue no. 85-561-MIE2005005, June 2005, p. 51.

⁷Canadian Centre on Substance Abuse, *Canadian Addiction Survey (CAS)*, March 2005, p. 71.

Regional Policing Issues

The city of Camrose has a population of almost 16,000 and is uniquely situated in proximity to the corridor between Edmonton and Red Deer. As such, it draws upon an adjacent trading area of over 140,000 people. Economic growth has risen steadily with one of its steel pipe mills hitting the global stage in a take-over bid by Russian mogul, Roman Abramovich. Camrose Pipe, renamed OSM Tubular when its interests were sold to Oregon Steels Mills, continues to be a producer of oilfield pipe. The current acquisition of Oregon Steel Mills and OSM Tubular by Abramovich is billed as one of the largest investments in the American economy by a Russian company.

The illicit drug trade in Camrose, predominated by the consumption of cocaine, is being facilitated by suppliers in Wetaskiwin and Edmonton. There has been a noticeable increase in drug-related violence as local traffickers are commonly found with edged weapons and firearms on the street. It should be noted that the use and trafficking of methamphetamine appears to be declining.

Camrose has also experienced several bank frauds which were choreographed from eastern Canada by a group of Somalian suspects.

Half-way between Edmonton and Calgary lies the city of Red Deer. The city has a population of approximately 83,000 but with its central location, it has a trade influence of over 200,000 people. Like Fort McMurray and Grande Prairie, Red Deer is currently among the hottest economic regions in Alberta. Policing concerns in the city reflect a provincial trend high in incidents of domestic violence. Also noticeable are occurrences of impaired driving, identity fraud and reports of missing and runaway persons. There are increasing reports of vehicle thefts (particularly trucks) and “chop shop” operations to alter them. Street drug trafficking continues to flourish along with attendant property and violent crimes. Many of those who sell illicit drugs are affiliated with self-identified gangs based in Edmonton and Calgary. Smaller communities in the central Alberta area are likewise experiencing “chop shop” businesses, the presence of cocaine in quantities nearing the pound level, armed robberies, and thefts of fuel.

The city of Lethbridge - located an hour's drive from the United States - has a population of 78,000 and a trading area of approximately 250,000 people. Among the factors contributing to the region's growth are new business developments and two large post-secondary institutions (University of Lethbridge and Lethbridge Community College).

From a law enforcement perspective, the illicit drug situation revolves mainly around the distribution and use of cocaine. Street-level drug dealers travel to Calgary, Edmonton and Red Deer where they pick up cocaine and other illegal drugs for distribution in Lethbridge and surrounding communities. In some cases, the cells of larger criminal groups based in Calgary and Edmonton have set up in Lethbridge and are recruiting young people as drug dealers. Accompanying the drug trade are significant increases in violence involving the various street-level criminals who are distributing their products. Additionally, crack addicts have admitted to involvement in the city's large number of armed robberies in order to grab some cash so that they can feed their addiction. Although Ecstasy and methamphetamine are present in Lethbridge, they are not readily available on a consistent basis.

Outside the Lethbridge city limits is Canada's largest First Nation Reserve, the Blood Tribe. Over the past two years, a number of street gangs within the Blood and nearby Peigan Reserves have been identified. An influx of gang members to Lethbridge schools is occurring as a result of a policy to expel Reserve students who have been found in possession of drugs on more than three occasions. Lethbridge has also experienced spontaneous and often violent street crimes which are carried out by these self-proclaimed gang members.

Just 50 kilometres from the Saskatchewan border lies the city of Medicine Hat with a population of 57,000 people. It is situated at the intersection of two main arteries, the Crowsnest and TransCanada highways. Police in Medicine Hat are faced with a phenomenon whereby more than \$1 million in cocaine is being sold by wholesalers - with a street value nearing \$2.5 million - each month in the city alone.

Groups responsible for trafficking illicit drugs in the area include well-established gangs from Calgary as well as dealers from Brooks. The availability of methamphetamine in Medicine Hat is limited as the drug hasn't gained in popularity.

Drug interdiction on the TransCanada Highway in 2006 revealed that persons with direct ties to organized crime groups in Vancouver, Calgary and Toronto were in the process of transporting drugs across Canada when they were stopped near Medicine Hat by the police.

In nearby Brooks (an hour's drive northwest of Medicine Hat on the TransCanada Highway), people associated with gangs are heavily involved in selling illicit drugs locally and throughout southern Alberta. Several criminally active individuals have been traced to the Greater Toronto Area. Situated in one of Alberta's most active gas fields and a dynamic agricultural region, the town that became "Alberta's

Centennial City™ in 2005 (commemorating the province's centennial year), continues to experience strong growth. Beef processing at Lakeside Packers, one of North America's largest food processing plants of its type, provides employment to approximately 2,700 people. According to police, employee turnover can be as high as 75 people a week. It is reported that 50% to 60% of employees are new Canadians who immigrated to Canada within the past three to five years. The workforce is diverse, comprising up to 40 different languages.

The city of Calgary became the third one in Canada to reach the one million population mark (after Toronto and Montreal) which it surpassed in July 2006.⁸ By the fourth quarter of 2006, Calgary led the nation in population and employment growth (*CIBC Metropolitan Economic Activity Index*). The forecast calls for the Calgary area to retain its position as one of the leading economic regions in Alberta and Canada, due to its role as home to the energy sector.⁹

Unfortunately, prosperity in Alberta is uneven as there are people whose wages are far above the average and others who have been left far behind inflation.¹⁰ With rising costs, Calgary is home to a significant number of "working poor." Increased housing costs are causing stress on low-income populations especially recent immigrants, women, youth and persons with disabilities. Moreover, rapid growth and change is contributing to increased levels of stress as people try to cope with balancing their lives.¹¹ In terms of social health, the quality of life - not only in Calgary, but throughout Alberta - is being impacted by unprecedented growth. The health of communities has a direct link to crime.

Among the disadvantaged are the Aboriginal people. Calgary is home to the third largest Aboriginal population within metropolitan centres (behind Winnipeg and Edmonton, respectively) and the number of Aboriginal persons is increasing at a rate 2.5 times that of the total population. According to the *2006 Homeless Count*, Aboriginal people comprise 17% of Calgary's homeless population.¹²

⁸City of Calgary, *Socio-Economic Outlook 2006-2016*, October 2006, p. 15.

⁹Ibid., p. 15.

¹⁰Todd Hirsch, Chief Economist, Canada West Foundation, *Boom? What boom?*, Edmonton Journal, December 1, 2006.

¹¹City of Calgary, *Socio-Economic Outlook 2006-2016*, October 2006, p. 117.

¹²Ibid., p. 137.

An Alberta law enforcement study in 2000¹³ found that failed access to employment opportunities and poor English language fluency (both of which are contributors to poverty) were among the factors contributing to the crime problem at that time. While there is nothing unique about ethnic gangs from any other gang in terms of their *raison d'être*, the foregoing circumstances can afflict newcomers in greater proportions. In 2005, the number of immigrants in Calgary who did not have the ability to speak either of Canada's official languages was 43% (*Citizenship and Immigration Canada, 2006*).¹⁴ The importance of providing new Canadians with the means to navigate their environment has a direct bearing on their well-being. Appropriate civic and social planning, therefore, goes a long way toward crime prevention.

The illicit drug trade in Calgary reveals that cocaine, in both powder and rock form, continues to be readily purchased on the street while methamphetamine is difficult to acquire. The production of marihuana is flourishing and appears to be destined for American markets.

Edmonton, the capital city of Alberta, is located near the geographical centre of the province. Commonly known as the "Gateway to the North," it is strategically situated on an economic divide between the highly productive farmlands of central Alberta and a vast, resource-rich northern hinterland. Edmonton's economy has always been driven by resource wealth. It is the major supply and service centre for a vast territory extending from central Alberta to the Arctic Ocean.¹⁵

Since the 1830's, Edmonton has been a major hub in the transportation network of western Canada. In addition to its already diverse economy (notably in the fields of education, medical services and biotechnology), the city is on the verge of becoming a super inland port. *Port Alberta* (a new initiative at Edmonton International Airport) is a strategic opportunity to create a regional, national and international transportation hub. It is ideally suited for the Edmonton region where major highway systems in western Canada as well as northern Alberta are easily accessible. Additionally, rail traffic is directly linked to British Columbia marine ports in Prince Rupert and Vancouver; the Edmonton International Airport is the most northern in North America; and the largest industrial park in Canada is adjacent to the airport which has the land base needed for the Port Alberta project.

¹³ Criminal Intelligence Service Alberta, *Project Sun Tzu: A Strategic Analysis on East and Southeast Asian Crime in Alberta*, September 2000.

¹⁴ City of Calgary, *Socio-Economic Outlook 2006-2016*, October 2006, pp. 143.

¹⁵ The Canadian Encyclopedia @ 2007 Historica Foundation of Canada (Internet).

Crime and social issues in Edmonton are no different than any other large metropolitan area in Alberta where disadvantaged people are being left further behind by the booming economy and the provision of goods and services that are “illegal, regulated or in short supply” (*Finckenaueer: 2005*) is flourishing.

Within the scope of regional policing concerns lies numerous municipalities served by the RCMP. Below is a summary of the five federal policing districts within Alberta.

The tract located west of Edmonton’s Census Metropolitan Area to the British Columbia border and north to the Northwest Territories contributes heavily to the province’s forestry and mining industries, both of which are linked to the current economic upswing. Known as the Western Alberta District, the area is policed by 26 RCMP detachments. The illicit drug trade in this region points to a preference for crack cocaine followed by marihuana, Ecstasy and crystal methamphetamine. There is an apparent increase in the presence of medium to large-scale marihuana growing operations in the region, some of which have links to British Columbia. Another major crime issue in the Drayton Valley/Jasper area is motor vehicle theft.

East of Edmonton’s Census Metropolitan Area to the Saskatchewan border and north to the Northwest Territories lies some of the province’s most fertile agricultural land as well as the tar sands of Fort McMurray. Many communities throughout this region have experienced rapid growth due to the booming Alberta economy and local developments in the natural gas, pipeline and oil industry sectors. This area is referred to as the Eastern Alberta District and it is policed by approximately 30 RCMP detachments. Illicit drugs remain a primary concern for the police with crack cocaine reportedly being the most prevalent although marihuana and methamphetamine also persist. It is believed that these drugs are supplied from Edmonton. Gang activity in the region has increased with members of Edmonton-based gangs being identified in centres such as Camrose, Cold Lake, Fort McMurray, Provost, Slave Lake and Wainwright. It is further suspected that associates of a Toronto-based gang are present in Fort McMurray. The presence of criminal groups from Lloydminster has also been noted in some eastern Alberta communities including Bonnyville, Cold Lake, Kitscoty and Vermilion. Over the past year, large-scale vehicle theft rings have been dismantled, notably in the Boyle-Athabasca and Camrose-Tofield areas.

Within this region are four First Nation Reserves - Ermineskin, Louis Bull, Montana and Samson - situated in Hobbema, a community located approximately 80 kilometres south of Edmonton. Violence continues to plague Hobbema where several Aboriginal gangs are criminally active. Much of the violence is attributed to

gang-related conflicts, however, inter-personal and domestic conflicts account for some of the occurrences. Youths are recruited into these gangs, but affiliations are often fluid and fluctuate with changing allegiances. The gangs are responsible for the majority of drug trafficking (primarily crack cocaine) on the Reserves. The frequency and severity of violent incidents has attracted much public and media attention.

Policing in southern Alberta encompasses an area from the United States border northward to a latitude which includes the town of Rocky Mountain House in western Alberta, Rimbey and Ponoka in central Alberta and eastward to the village of Consort; it excludes the Calgary Urban Area. The Southern Alberta District is policed by more than 40 RCMP detachments and criminal activities in the region are influenced by the proximity of four of Alberta's seven-largest cities (Calgary, Lethbridge, Medicine Hat and Red Deer).

The communities of Rimbey, Rocky Mountain House and Sylvan Lake have experienced an increase in vehicle thefts, especially trucks, as well as large fuel thefts. The tourist areas of Banff and Canmore lend themselves to transient populations and associated types of crime. The presence of transient oil patch workers in the Stettler area has brought increased occurrences of assault and vehicle thefts to the community. This trend appears to go hand-in-hand with increases in break-ins of both private dwellings and business premises. Alcohol and drugs are common factors in these crimes. Marihuana is the most popular illicit drug in the area, however, crack cocaine is also prevalent; morphine and methamphetamine are known to be used.

A new wave of oilfield activity is expected in the Stettler area for 2007 when construction of a methane extraction facility begins. An acute shortage of housing in 2006 necessitated the rental of campground space to a pipeline company which contributed to a considerable strain on policing resources particularly on weekends at the campground and in the local bars.

Area resorts (such as Rochon Sands at Buffalo Lake) have become progressively busier over the past few years with accompanying increases in impaired driving and motor vehicle collisions.

There are elevated concerns about drug activity in the towns of Castor and Coronation where reports have been received of alleged drug activity involving marihuana, cocaine and Ecstasy. Likewise, the city of Brooks (which forms part of the Southern Alberta District) has been a source of concern for law enforcement over the past few years. In December 2006, 14 people were arrested and charged

with drug and weapon offences in what was one of the largest organized crime busts in the city's history.

Regions which surround the cities of Calgary and Edmonton (known as the Calgary Urban Area and Provincial Capital District) are each policed by seven and ten RCMP detachments respectively. Over the past few years, many suburbs within these areas have experienced an increased presence of people associated to street gangs and criminal groups based in each metropolis.

All five of the foregoing federal policing districts cite the construction of casino facilities on First Nation Reserves. Experience has shown that the presence of casinos contributes to the need for policing.

Alexis Nakota Sioux Nation - Construction of Eagle River Casino and Travel Plaza near Whitecourt is underway with opening scheduled for July 1, 2007.

Cold Lake First Nations - Construction of a casino is underway with opening scheduled in the fall of 2008.

Enoch Cree Nation - Opened River Cree Resort and Casino west of Edmonton on October 26, 2006.

Stoney Tribe - Construction of Nakota Entertainment Resort in Morley is expected to be completed in September 2007.

Tsuu T'ina Nation - Construction of a casino in southwest Calgary is pending.

Both the Louis Bull Tribe and Samson Cree Nation at Hobbema have made application to construct a casino, however, the July 1, 2007 moratorium is holding the process in abeyance. One remaining project - situated outside of First Nation lands - is the Camrose Lodge, Hotel and Casino which is expected to open on July 1, 2007.

Northern Canada is the site of one-quarter of Canada's remaining discovered resources of conventional petroleum and one-third to one-half of the

country's estimated potential.¹⁶ It is also an area of growing interest among countries around the world, not only because of resource development but due to increasing access to the land mass which is being aided by climate change.

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¹⁶Royal Canadian Mounted Police, "G" *Division Environmental Scan*, Federal/Territorial Edition, 2005, p. 17.

Significant Criminal Groups

The most noticeable criminal group in Alberta - with cocaine distribution operations throughout the province as well as in parts of British Columbia, Saskatchewan and the Northwest Territories - is known to the police as the Crazy Dragons. Invariably, many Asian criminal groups that have been targeted for enforcement over the years were linked to the group's leader. A second group (also led by a criminally active person of Vietnamese descent) is involved in the large-scale production of marihuana in southern Alberta.

In looking back at the recent history of a number of criminal organizations, it seems apparent that Aboriginal criminals have been courted by other criminal organizations ostensibly to facilitate the movement of illegal drugs into First Nation reserves. This kind of manipulation is sadly unfortunate as it victimizes whole communities struggling to improve the dignity of their people. Moreover, the creation of competition among Aboriginal gangs undermines the preservation of the unique heritage of these indigenous people.

Criminally active members of the Hells Angels in Alberta (with chapters located in Calgary, Edmonton and Red Deer) continue to sell drugs at the street level. As their particular history shows, the Hells Angels trademarked name and logo are of the utmost importance, providing a reputation that is legendary. Without making light of their propensity for extreme violence - augmented by loyalty to the club's name - members of the Hells Angels continue to lack in criminal business savvy. They have proven themselves to be an available source of "muscle" either for their own endeavours or for other criminal organizations. They are preoccupied with the supremacy of their name within the criminal biker sub-culture.

There are increasing reports of criminally active African and Jamaican males who belong to self-named gangs and are selling drugs on the street. The plight of Canada's Black population is similar to that of the Aboriginal population vis-a-vis social and economic marginalization.

Law enforcement information in Canada and the United States indicates a trend whereby Canadian-produced marihuana is being exchanged for cocaine originating in South America. Given the magnitude of the American illicit drug market as well as what has become the "marihuana industry" in Canada, gaps in knowledge require attention.

If the preoccupation of present law enforcement practice weighs heavily on the side of the illegal trade in drugs, then the magnitude of the legal movement of dirty money might be immeasurable. It is perhaps at this point that we begin to encounter “the more dangerous manifestations of organized crime” (Maltz: 1994). What to do with so much cash in hand ironically presents a dilemma. With the amount of cash that is flowing from the sale of narcotics, one of the easier ways of managing it is through investments. In the world of capitalism where stockbrokers deal with huge sums of money in endless transactions, and where million-dollar increments go unnoticed, ownership in national and international business ventures is easily achieved. And whether through private corruption or public corruption, this is where criminal groups become entrenched.

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CURRENT ASSESSMENT
Levels of Criminal Threat

Intelligence personnel brought forward a total of 54 criminal groups for assessment in this year's report based upon individual jurisdictional concerns. The groups may be classified into the following general categories:

Drug groups - 15
Hells Angels affiliates - 10
Street gangs - 18
Other criminal groups - 11

Four of the groups are considered to be Mid-Level Threats in light of their criminal operations displaying some sophistication as well as their multiple links to other criminal groups.

The remaining 50 groups were classified as Lower Level Threats in view of their focus on one or a limited number of criminal activities and relatively fewer criminal linkages.

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