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Introduction

We are pleased to present the Nunavut Civil Forfeiture Annual Report, covering the period from April 1, 2022 to March 31, 2023.

The Nunavut Forfeiture Office was established under the *Unlawful Property Forfeiture Act S.Nu. 2017, c.14* (the “Act”), which allows for the forfeiture of property obtained through criminal activity. The *Unlawful Property Forfeiture Act* was passed by the Legislative Assembly in March 2017 and came into force on April 1, 2021.

The purpose of this *Act* is to promote safe and healthy communities in accordance with Inuit societal values by providing civil remedies that will:

- prevent people who engage in unlawful activities and others from keeping property that was acquired as a result of unlawful activities;
- prevent property from being used to engage in unlawful activities;
- allow for the disposition of property derived from or used to engage in unlawful activities to socially useful purposes such as providing assistance for victims of crime and funding community-based wellness programs.

The *Act* grants the Director of the Nunavut Forfeiture Office the authority to initiate civil forfeiture proceedings against proceeds and instruments of unlawful activity.

This report is respectfully submitted in accordance with section 36 of the *Act*.

General

Civil forfeiture proceedings under the *Unlawful Property Forfeiture Act* are distinct from criminal law matters and do not require a criminal conviction to proceed. Instead, forfeiture actions target the property itself, rather than individuals. There is no criminal record resulting from these matters, and no findings of guilt or innocence is made by the Court in a civil forfeiture proceeding.

While the decision to initiate a civil forfeiture action is made by the Director, who is appointed by the Minister pursuant to section 24, the Nunavut Court of Justice determines, on a balance of probabilities, whether the property is the proceeds of – or an instrument of – unlawful activity.

“Proceeds of unlawful activity” is money or any type of property gained from an unlawful activity (e.g. cash from a drug trafficking).

“Instruments of unlawful activity” is any property that is used to commit an unlawful activity (e.g. a vehicle used to illegally sell alcohol).

“Unlawful activity” is any act committed in Nunavut that is an offence under federal legislation or territorial legislation (e.g. Criminal Code of Canada, Nunavut Liquor Act). It is also an act committed outside Nunavut that is an offence in the territory.

In Nunavut, the proceeds from successful civil forfeitures are used to support crime prevention and victim services programs in our territory, including compensating victims and funding crime prevention initiatives.

The *Unlawful Property Forfeiture Act* does not provide powers of search or seizure to the Nunavut Civil Forfeiture Office. Instead, the *Act* enables the Director to collaborate with law enforcement agencies to use evidence and information gathered during criminal investigations. If material gathered during a criminal investigation indicates a viable civil forfeiture action, it can be forwarded to the Director for review and determination. The Director may also receive information about potential cases from the public in the form of tips.

Before initiating a civil forfeiture action, the Director ensures that the civil proceedings do not conflict with any related criminal investigations or proceedings and inquires whether the Crown has decided to pursue criminal forfeiture proceedings under federal legislation.

Activities and Progress

The Director of Forfeiture continued to implement structural policies to enable the Forfeiture Office to become fully operational. Most of those policies are near completion. The Director also commenced and engaged in the office's first forfeiture proceeding before the courts (see below).

Additionally, the office continued its education campaign to raise awareness about the role and importance of civil forfeiture in supporting crime prevention and victim services programs in Nunavut.

Collaborative Approach

The Director of Forfeiture has been working with the RCMP and Public Prosecutions Service of Canada (PPSC) to develop a collaborative approach to forfeiture proceedings within the territory. The Government of Nunavut and the RCMP have established an information sharing agreement to begin the development of the Forfeiture Office. The Government of Nunavut and the PPSC have signed a Memorandum of Agreement which will ensure that civil forfeiture and criminal proceedings do not impede one another.

Training

The Director did not engage in specific training during this reporting period; however, there are ongoing learning opportunities about best practices for organization and operations through participation in a national group of civil forfeiture offices called the National Civil Forfeiture Committee (NCFC).

Educational Campaign

To promote public awareness and understanding of civil forfeiture, including its purpose and processes under the *Unlawful Property Forfeiture Act*, we have launched an ongoing educational campaign that involves representatives from various organizations, including the RCMP, PPSC, Liquor Commission, alcohol and education committees, and the Sheriff's Office. Through these presentations, we provide an overview of how civil forfeiture works in Nunavut and engage in dialogue to provide the framework in terms of how each party can contribute to the success of the program.

Human Resources

The Director remains the only employee of the Forfeiture Office. During this reporting period, the position of Director of Forfeiture became vacant in February 2023. However, David Lawson, Assistant Deputy Minister of Policing and Public Safety for the Department of Justice, holds the title of Director of Forfeiture and has been able to carry identified cases forward through the courts. The Department of Justice actively worked to recruit a new Director of Forfeiture but was unsuccessful during the reporting period.

Requests for additional positions at the Forfeiture Office may be made in the future once the Office becomes operational and as determined by workload requirements.

Civil Forfeiture Proceedings

One court case concluded and another one was started during this reporting period. During the reporting period, the Forfeiture Office was successful in obtaining its first forfeiture order from the Nunavut Court of Justice. The total amount forfeited in that case was \$13,100. All the funds were deposited to the Victims Assistance Fund, which provides funding for community-based projects and activities that directly support or benefit victims of crime in Nunavut.

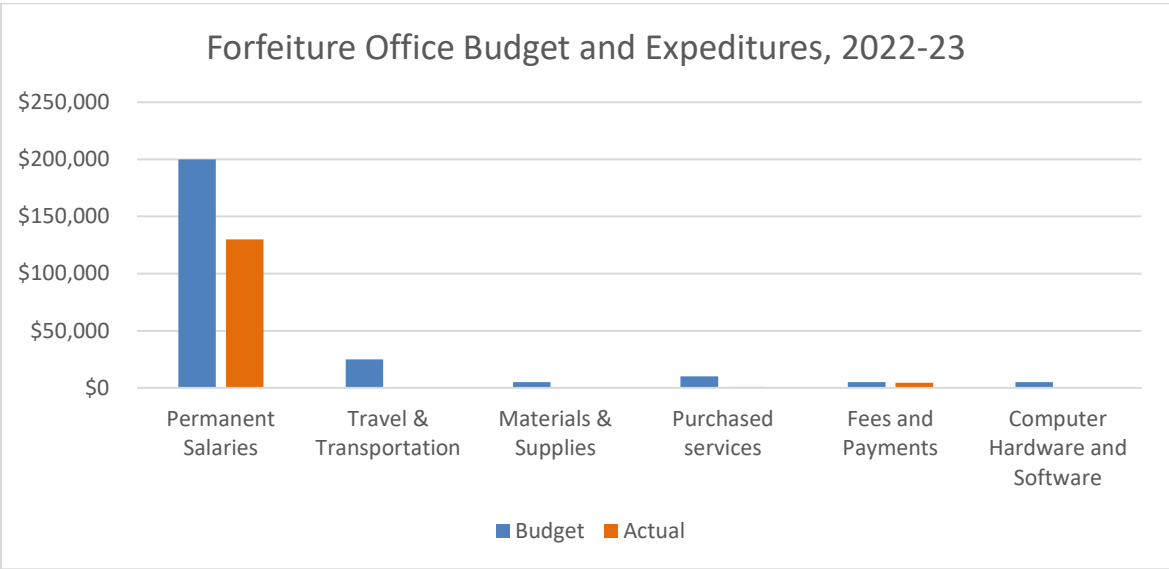
It is anticipated that more cases will proceed in the next reporting period. New cases will be assessed for consideration as they arise.

Forfeiture Office Expenditures

Budget and Expenditure by Type

The total expenditures for the Nunavut Forfeiture Office during the reporting period was \$135,456 on a total budget of \$250,000, which can be broken down as follows:

	Budgeted	Actual Expenditures	% of Total Actual (\$135k)
Permanent Salaries	\$200,000	\$129,857	95.8%
Travel & Transportation	\$25,000	\$0	0.0%
Materials & Supplies	\$5,000	\$309	0.2%
Purchased services	\$10,000	\$715	0.5%
Fees and Payments	\$5,000	\$4,575	3.4%
Computer Hardware and Software	\$5,000	\$0	0.0%
Total	\$250,000	\$135,456	



Conclusion

The Nunavut Forfeiture Office continues to work towards achieving its mandate of seizing property obtained through criminal activity.

We remain committed to working collaboratively with law enforcement agencies, community organizations and Nunavummiut to prevent crime and support victims. We look forward to updating the public on our progress in future reports.