June 16, 2021 9:30A EXECUTIVE POLICY COMMITTEE MEETING

WITH RESPECT TO:

Report Item No. 4. Strategies and Tools to Enhance Neighbourhood Liveability via the Doing Business in Winnipeg By-law – Problematic Business Activities and Appendix A, Amending By-law.

With respect to the proposed increase in the number of days Precious Metal Dealers are required to hold purchases from disposition from 15 hold days to 30 hold days.

Toronto's number of hold days is 15 excluding Sundays and Holidays, Vancouver is 35 days, Washington State is 30 days and Minneapolis is also 30 days. However, Minneapolis precious metal dealers are required to pay by cheque only. No cash payments.

The required number of hold days is irrelevant if the transaction is ***not recorded*** by private individuals ***or*** by licensed dealers operating outside the by-law who ***pay cash*** and ***do not issue receipts***. Some such licensed dealers go so far as to advertise cash payments and discretion.

An increase in hold days ***will*** increase the number of unrecorded cash transactions by private individuals and licensed dealers alike. Including licensed dealer sponsored Hosted Home Buying Parties. These parties are routinely sponsored arranged and funded by licensed dealers where cash is paid and no receipts given.

Crime prevention, one of the key policy objectives in this report, is to enable local authorities to suppress conditions that may foster crime and to assist law enforcement, regulate and control businesses or those engaged in the business of buying and/or selling of second-hand goods. This objective ***cannot*** be achieved if transactions are ***not recorded***.

Also, this report outlines by-law noncompliance as a source of revenue estimated through enforcement efforts by Winnipeg Police Services and Community By-Law Enforcement Services with penalties of $5000 or $10,000. If transactions are not recorded, revenue from noncompliance penalties will ***not*** be generated.

Now, let's look at Minneapolis and their requirement to pay by cheque only. The Minneapolis Code of Ordinances, states that payment to the seller or consignor shall be by check (sic) only, made payable to a named payee who is the actual intended seller.

If Precious Metal and Used Goods Dealers in Winnipeg were required by law to issue cheques only as payment, this would ensure that all transactions are recorded and subsequently reported to the Chief of Police. This ***would*** enable local authorities to suppress conditions that may foster crime and to assist law enforcement, regulate and control businesses or those engaged in the business of buying and/or selling of second-hand goods. In addition, if transactions ***were*** recorded, revenue ***would*** be generated from business noncompliance penalties.

Thank you for the opportunity.

Very Sincerely,
Michael Gupton, Director
KMG Environmental Incorporated
DBA/ KMG Gold Recycling