

## **RCMP asked to probe missing gold at mint**

Philip Ling, Canwest News Service

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OTTAWA -- The RCMP has launched an investigation into unaccounted-for precious metals, possibly as much as \$20-million, at the Royal Canadian Mint headquarters in Ottawa, after the federal government ordered the Crown corporation to contact the police.

External auditors have been working since early March to determine whether theft or an accounting error is behind an "unreconciled difference" between the mint's 2008 financial records and its physical stockpile of gold and other precious metals at its downtown Ottawa headquarters.

Minister of State for Transport Rob Merrifield, whose department is responsible for the mint, told the House of Commons on Tuesday he learned that the auditors "will not be able to reconcile" the difference.

"I've instructed the mint to bring in the RCMP to examine this matter in a fulsome way," he said, responding to a question from a Bloc Quebecois MP during Question Period.

The looming police investigation comes after a March 23 letter from the Crown corporation revealing to the department that it had lost track of the metals, Chris Hilton, senior adviser to Mr. Merrifield, said on Tuesday. The letter said that because of "an accounting discrepancy ... they were leaving open their annual report, until they've rectified that accounting discrepancy," Mr. Hilton explained.

On Tuesday morning, the mint's CEO Ian Bennett told Mr. Merrifield that the external auditor, Deloitte and Touche, would not be able to get to the bottom of this discrepancy, Mr. Hilton said. It was at that point that the junior minister asked the mint's board chairman James Love "to bring in the RCMP to take a look at this specific case," Mr. Hilton said.

The RCMP said it received a letter from the mint asking for its assistance on Tuesday afternoon.

"The RCMP will review the information and allegation, to make determinations as to whether there are sufficient grounds to investigate and if the RCMP is the appropriate law enforcement agency to investigate this matter," said RCMP Sgt. Greg Cox. He would not provide any details of the investigation.

Sgt. Cox said that if it is a theft from the Ottawa headquarters, "the police jurisdiction would be Ottawa."

Ottawa Police Const. Alain Boucher would not confirm if the local police force is involved in an active investigation, adding it will not automatically ask for the RCMP's assistance even if an investigation involves a federal agency or a federal building.

"If it becomes a national matter or international matter, depending on where the investigation has taken us, then we would ask for assistance," he said.

When asked if the mint's request to the RCMP were for it to launch a criminal investigation, Mr. Hilton said "right now, they're not at that point. They wanted to bring in the RCMP to ensure that all necessary measures are taken to find this discrepancy and the amount of precious metals.

"We want to ensure that all necessary precautions are taken and that the mint is held accountable to Canadians," Mr. Hilton said.

Opposition parties are portraying the possible loss of tens of millions of dollars worth of gold as the government's incompetence.

"They've just admitted that this is serious. It is either a question of their incompetence up to this point, or their indifference," Liberal transport critic Joe Volpe said Tuesday.

"It now appears that it's gone beyond bad accounting, and there's no possible way to justify the loss of tens of millions of dollars in gold bars," NDP finance critic Thomas Mulcair told reporters.

Christine Aquino, spokeswoman with the Royal Canadian Mint, said she will not comment until the internal and RCMP investigations are complete.

The mint's reputation is under strain as officials refuse to rule out thievery to explain a significant quantity of unaccounted-for precious metals.

The Deloitte and Touche audit report will be released "within the next week," said Mr. Hilton, adding the government will release the findings to the public.

Insiders say the unexplained difference in gold and precious metals could amount to as much as \$20 million.

*With files from Global News and Ottawa Citizen*