

Scam Enquiries on the Rise

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You walk into a reception room full of local residents requesting information about a “Canadian” company called Free Money Inc.* They have all received a letter from this company saying that they have won \$1000, but they have to send \$10 in advance to claim the prize.

On the way to your office you find several faxes and message slips asking about Free Money Inc. When you open your e-mail, you notice an urgent message from the Ambassador: “Please see me immediately regarding Free Money Inc.”

Sound slightly familiar? Although a fictitious scenario, more posts are requesting assistance in handling enquiries or complaints from individuals targeted by companies operating from Canada. These companies are often selling lottery tickets, prize winning entitlements or offering employment opportunities.

Scams have a major impact on service delivery by taxing both the human and financial resources at posts and headquarters. They exploit Canada’s reputation abroad, can potentially defile the national image and affect legitimate commercial practices.

Action taken by Headquarters: The Post Support Unit (PSU), in collaboration with IBOC, held a series of meetings with representatives from Justice Legal Services Division (JUS), the Competition Bureau (Industry Canada), and the Economic Crime Branch (RCMP). We have agreed upon and implemented a process to handle scam enquiries. The Competition Bureau deals with reports on sweepstakes and lottery issues; the RCMP handles employment, investment and gemstone issues; the PSU, in cooperation with JUS, develops policies, guidelines and standard letters to assist posts (see <http://Intranet.lbp/HORIZONS/10eftxt-e.asp>), and IBOC covers specialized company data checks.

The Competition Bureau and the RCMP are tracking the activities of various companies involved. However, without legislation in Canada banning lottery solicitations and prize entitlement schemes through the mail, it is difficult for Canadian authorities to act.

Next steps: The PSU and RCMP will develop a training module on handling scams for the next LES/CBS training sessions in Ottawa. We will also be contacting agencies such as Canada Post, the Canadian Tourism Commission and the Canada Council of Better Business Bureaus for their support.

What you can do: Collect basic information from complainants. Check for the company in WIN Exports. Be sure to change your search preferences to include inactive companies. Whether or not the company is listed in WIN, you should refer the query to IBOC (<http://ibocintranet/iboc>) and copy PSU.

If questioned by local people about Canadian organizations that appear to be involved in questionable schemes, posts should state only facts and advise caution when warranted. Post staff should refrain from voicing negative opinions. One type of solicitation that posts are frequently requested to verify are offers to participate in lotteries. A standard letter can be found at <http://intranet.lbp/HORIZONS/10grtxt-e.asp> to respond to these requests.

If additional assistance is required, posts can contact the Post Support Unit. The PSU may take the case to DFAIT’s legal section for further advice. To familiarize yourself with ongoing activities, visit the RCMP’s web site at <http://www.rcmp-grc.gc.ca> and the Competition Bureau’s web site at <http://strategis.ic.gc.ca/SSG/ct01250e.html>

**Fictitious company*