

GRE CEO report tells feds how to stop contraband tobacco products, reports machinery to RCMP and CRA

By Lynda Powless
Editor

An appearance and report by Grand River Enterprises CEO Jerry Montour at a federal committee hearing into contraband tobacco in 2008 has surfaced to haunt him just as the federal government is trying to push through Bill C-10, the Tackling Contraband Tobacco legislation that will crack down on unlicensed manufacturers of tobacco products.

Montour made a presentation before the Public Safety and National Security Committee on May 12, 2008. The federal committee was studying contraband tobacco at the time.

The power point also provides photos of products he entitles "Contraband products on Reserves" and explains to the committee how to identify the unlicensed products being "produced in

to G.R.E. and "layoffs." But Haudenosaunee Trade Collective representative Kris Green told Confederacy "he appeared before a federal committee that was investigating contraband tobacco in 2008."

She gave copies of the



GRE CEO Jerry Montour (right) Bob Speller former Haldimand-Norfolk MP now a lobbyist for GRE and GRE lawyer (and Jerry Montour's sister) Chantelle Montour at the Public Safety and National Security Committee meeting in May of 2008. (Supplied Photo)

tained a power point presentation Montour made to the committee outlining a series of suggestions government

unlicensed factories in Canada," the report says. Montour sent a letter to Confederacy council recently

committee's hearing to the chiefs. "Read this and decide for yourselves," she said. She told them, "you don't

Contraband Product on Reserves



- May be produced in USA
- Often produced in unlicensed factories in Canada
- Frequently, no manufacturer identification on the package



Pages from Montour's report to the committee.

They spend years researching and planning and this was the beginning when it was called Bill S-16."

That information, she says, could have evolved into what would eventually become Bill C-10.

Minutes from the committee hearing and the power point shows the GRE CEO asking for a "level playing" field saying he cannot compete against cheap unlicensed tobacco products.

He told the committee GRE had been licensed as a tobacco manufacturer in Canada in 1997 and paid about \$500 million in tax revenue to the federal coffers at that time. But he said, his company has not seen any benefits from those tax dollars invested in First Nations communities.

He said the playing field is not level with unlicensed manufacturers selling cheaper product... "we're out there trying to sell a bag of tobacco products for somewhere in the vicinity of \$28 to \$35, and we have other people out there selling them at \$6 a carton."

His powerpoint to the committee says the "Con-

traband tobacco market" is of "significant size, alarming growth, undermining regulations, impact on youth and connected to drugs, alcohol and firearms."

The power point even points out an attempt by GRE to report to RCMP and the Canada Revenue Agency (CRA) a cigarette packaging machine made in China, ordered by an "unlicensed manufacturer" that was mistakenly delivered to GRE in February of 2008.

The power point that includes a photo of the machine and identification information, says it was imported into Canada as "agricultural equipment by an unlicensed manufacturer."

The report says GRE held the shipment and reported it to the RCMP and CRA but when no action was taken the machine was delivered to the unlicensed manufacturer.

Montour also told the committee implementing a First Nation tax is not a new idea and that he has himself suggested a first nation tax system.

"You know, the idea of allowing first nations people

the ability to place taxation on the products themselves is not new. I can remember, as early as the late eighties and early nineties, coming to former governments prior to this one and actually suggesting these same ideas," he told the committee.

But in his letter to Confederacy Council recently, he says the only government with power to impose taxation at Six Nations was either the Confederacy or Six Nations Elected Council.

He said until GRE took on a federal tobacco license, "we were perceived as almost iconic heroes in our community. Under the guidelines of the federal government, paying all the applicable federal taxes, our company flourished. We also founded one of the very first charities among first nations, the Dreamcatcher Fund. We've contributed over \$10 million to that. The spinoff effects of our company alone have created over 1,000 jobs on first nations communities, all under the guidelines of paying the applicable federal taxes."

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Manufacturing Equipment



- Photo of a Cigarette Packaging Machine
- Made in China
- Imported into Canada as "agricultural equipment", by an unlicensed manufacturer
- Delivered (trucking co error) to GRE in February 2008
- GRE held the shipment, and reported to RCMP and CRA
- No action was taken
- Machine was delivered to the unlicensed manufacturer



Pages from Montour's report to the committee.

agencies can take to stop the sale of unlicensed tobacco products that Montour says in his presentation is causing a "loss of market share"

in which he charged he would sue any politician or anyone that says GRE supports the government's controversial Bill C-10.

get invited to these hearings you have to apply to appear and be accepted. And we all know the government doesn't do anything all at once.