



Monday, May 11, 2026

## BACKGROUND

### MONEY LAUNDERING IS FUELING EXTORTION -- MIKE STARCHUK & IMAGINE SURREY WILL CUT IT OFF AT THE SOURCE

#### Executive Summary

- On April 23, 2026, FINTRAC published a Special Bulletin confirming organized crime is laundering extortion proceeds through Canadian financial institutions and recruiting young Indian international students as money mules and foot soldiers.
- Surrey is ground zero. Reported extortion cases jumped from 9 in 2024 to 133 in 2025, and Surrey Police Service had already documented 87 cases, 15 shootings, 2 arsons, and 46 victims by April 20, 2026 — a trajectory that puts 2026 on pace for over 600 cases.
- June 15, 2026 marks the fourth anniversary of the Cullen Commission Final Report. The dedicated provincial financial crimes capacity Cullen recommended has not been built. Most of the 101 recommendations sit on a shelf.
- Imagine Surrey's [Crush Extortion Plan](#) calls for the BC Financial Crimes Agency, a Coordinated Anti-Extortion Command, an end to new casinos, victim and witness protection for the South Asian diaspora, and an annual Cullen Implementation Report tabled every June 15.
- Imagine Surrey is the only slate in this race that has pledged no new casinos. The other slates are tied to a tax freeze that can only be paid for by cuts and casinos.
- More than half of Surrey's 2026 extortion victims (25 of 46) had been targeted before. The shooting count directly related to extortion may have plateaued temporarily, but the fear economy has not — extortionists have shifted to negotiated, ongoing payment relationships.

#### FINTRAC's April 23 Bulletin

On Thursday, April 23, 2026, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) published a Special Bulletin titled *Special Bulletin on money laundering associated with extortion directed at Canada's South Asian diaspora*. The bulletin was reported the same day by Graeme Wood at *Business in Vancouver*. It is the most authoritative federal acknowledgement to date that the extortion crisis hitting Surrey, the Lower Mainland, and South Asian communities across Canada is a transnational money laundering operation.

#### Key findings

- **Money mule recruitment.** In FINTRAC's words, the criminal groups behind the extortion campaign "appear to recruit or rely on individuals already living in Canada to act as financial intermediaries ('money mules'), enforcers, or 'foot soldiers,' typically financially vulnerable, young male Indian nationals in Canada on study permits."



- Transnational pipeline.** Extortion proceeds are routed through money service businesses, banks, casinos, and ATM networks to and from India (Haryana and Punjab), the United Arab Emirates, the United Kingdom, and possibly Portugal and Kenya.
- Multiple crime groups.** The bulletin names the rival Bishnoi and Bambiha gangs of northern India as primary actors, alongside copycat criminal elements that exploit the reputation of these groups to maximize their own impact. The Government of Canada designated the Bishnoi network a listed terrorist entity on September 29, 2025.
- Targets.** Victims tend to be small and medium business owners and prominent community and cultural leaders in the South Asian diaspora, particularly in retail, transportation, construction, real estate, and hospitality.
- Tactics.** Demands sometimes reach hundreds of thousands or millions of dollars, often negotiated down into instalment payment plans. Coercion includes gunfire, arson, and persistent threats. Victims liquidate long-term investments or move capital abroad — disrupting local economic activity and obscuring the trail.
- Operation Tapex.** FINTRAC’s analytical initiative — Timely Analysis of Proceeds from Extortion — was created specifically to support investigations into proceeds generated by criminals extorting South Asian diaspora communities.
- Volume.** FINTRAC has produced more than 100 financial intelligence disclosures linked to extortion in the early months of 2026 alone — exceeding the totals for 2024 and 2025 combined — flagging more than 63,000 transactions involving roughly 300 subjects.
- Encrypted contact channels.** Targets are typically contacted anonymously through phone calls or messages on encrypted chat applications, which complicates investigation, suspect identification, and lawful intercept.
- Cryptocurrency and informal channels.** Payments under duress are being delivered through e-transfers, cheques, cryptocurrency, and cash drops — adding crypto to the laundering pipeline alongside traditional banking and money service businesses.
- Cross-jurisdictional mobility.** FINTRAC’s analysis emphasizes that suspect mobility across provincial and national boundaries lets offenders exploit coordination gaps between police forces and regulators — a structural argument for a single command and a dedicated provincial financial crimes agency.
- Multi-province victim footprint.** Punjabi-Canadian small business owners are being targeted in British Columbia, Alberta, Manitoba, and Ontario. The Surrey crisis is the leading edge of a national problem, but it is not Surrey’s problem alone to solve.
- Bambiha protection rackets.** The Bambiha network — a rival to the Bishnoi gang — has been linked by FINTRAC to extortion, contract violence, and large-scale protection rackets, broadening the threat picture beyond a single dominant organization.



## Red flags FINTRAC asked institutions to watch for

FINTRAC asked Canadian banks, credit unions, casinos, money service businesses, and securities dealers to identify transactions that may be inconsistent with the customer's stated status — particularly when the customer is identified as an international student.

- Cash deposits, e-transfers, cheques, and ATM activity in volumes or values inconsistent with the customer's reported student status.
- Customers paying for lodging, travel booking, gas or petrol, and fast food in locations subject to extortion activity, often far from the customer's post-secondary institution and without prior financial links to those areas.
- Indian passport holders aged 17 to 28 transacting under aliases, pseudonyms, or stage names.
- Long-time business customers attempting unusual cash withdrawals, wire transfers to new parties, or liquidating long-term investments — sometimes appearing distressed or coached.

## Surrey: Ground Zero for the Extortion Crisis

Surrey Police Service (SPS) data tells a stark story of escalation:

- 2024:** 9 reported extortion cases.
- 2025:** 133 reported extortion cases — a 14-fold increase year over year — including 49 incidents of gunfire.
- 2026 (year to April 20):** 87 reported extortion cases, 15 shootings, 2 arsons, and 46 victims — of whom 25 had previously been victims of extortion. Surrey is on pace for over 600 cases by year-end if the trajectory holds.

This is the worst extortion environment in Surrey's modern history. It exploded under the current Mayor's watch. Imagine Surrey's analysis is that without immediate, coordinated municipal, provincial, and federal action, 2026 will set a record that residents and small business owners will be paying for in fear and lost capital for years.

The repeat-victimization figure is the most important single number in the file. **Twenty-five of forty-six 2026 victims had been targeted before.** That pattern points to negotiated, ongoing payment relationships — what FINTRAC describes as “financing plans” — rather than one-time threats. The shooting count may have plateaued for now. The fear-driven economy has not.

## What Surrey Is Asking For

Mohkam Singh Malik, a member of Surrey's Livability, Social Equity and Public Safety Committee, told the Vancouver Sun that the FINTRAC bulletin amounts to an expensive validation of what residents and small business owners have been saying for months. The community has been raising the alarm about extortion in Surrey. The federal report confirms the lived experience.



*“Just because the shootings have slowed down doesn’t mean the fear has stopped.” -- Mohkam Singh Malik, as quoted in the Vancouver Sun*

That observation matters for policy design. A drop in headline-grabbing incidents does not mean the extortion economy has cooled -- FINTRAC’s data shows extortionists have shifted to negotiated installment payments, smaller cash flows, and sustained relationships with intimidated business owners. The fear economy can persist, and even deepen, while violent incidents plateau.

### **What community advocates are calling for**

In the same Vancouver Sun reporting, community voices have laid out a clear three-level ask:

- Federal:** tighten financial regulations, tighten visa requirements for international student programs being exploited as recruitment pools, and appoint a national coordinator (a “czar”) to align FINTRAC, RCMP, CSIS, CBSA, and IRCC.
- Provincial / Municipal Police Board:** greater emphasis on protecting small business owners, proactive patrols, better community support, and more investment in safety infrastructure.
- Sustained pressure:** maintain operational tempo. The shooting plateau cannot be misread as a victory while extortion is moving to quieter, sustained payment relationships.

### **How End Extortion Now responds to each ask**

- Federal coordination** → Pillar 2 (Coordinated Anti-Extortion Command) builds the municipal-level integration of SPS, RCMP, CSIS, CBSA, and FINTRAC liaison that mirrors the federal czar concept and is achievable from the Mayor’s office on day one.
- Tighter financial regulation** → Pillars 1 and 3 (BC Financial Crimes Agency + Stop the Money Laundering Pipeline) deliver the provincial enforcement body Cullen recommended, plus tougher municipal licensing for cash businesses and crypto ATMs, and the only no-new-casinos pledge in this race.
- Small business protection** → Pillar 4 (Victim and Witness Protection Protocol) is built specifically for South Asian small business owners and international students, with confidential channels, language-appropriate intake, and a small business safety planning service.
- Proactive patrols and visible presence** → The Safe Streets pillar of the platform commits to hundreds of new police officers, helicopter patrols over high-risk areas, expanded roadside checks in extortion hotspots, and the largest public safety camera network in Surrey’s history.
- Sustained pressure** → Pillar 5 (Annual Cullen Implementation Report, tabled every June 15) institutionalizes the “don’t take your foot off the gas” principle. There is no quiet sunset for this work.



## Four Years since Cullen

The Commission of Inquiry into Money Laundering in British Columbia, led by the Honourable Austin F. Cullen, was established by the Government of British Columbia on May 15, 2019. Its Final Report was released to the public on June 15, 2022.

### Key facts

- **1,804 pages.** 101 recommendations. 199 witnesses over 133 days of evidentiary hearings. Over 1,000 exhibits filed.
- **Public investment of approximately \$20 million.** The Cullen Commission was the most rigorous public examination of money laundering ever undertaken in Canada.
- **Findings.** Cullen estimated billions of dollars per year are laundered through BC's economy via real estate, gaming, financial institutions, and the corporate and professional sectors. He found regulatory and law enforcement capacity to be "inadequate" and called for a dedicated, independent provincial AML enforcement body.
  - **Mike Starchuk is the only candidate with a history of fighting against money laundering.** As MLA for Surrey-Cloverdale, Mike supported the Cullen Commission and the implementation of British Columbia's beneficial ownership and land registries, allowing the public to know who owns assets including land.

### What hasn't happened yet

- The dedicated BC Financial Crimes Agency that Cullen called for has not been built.
- The legislative reforms required to give that agency teeth have not been passed.
- The federal-provincial coordination mechanisms that Cullen identified as missing have not materialized.
- There is no public, year-over-year accountability dashboard tracking which of the 101 recommendations have been implemented, are in progress, or have been quietly abandoned.

Read more: <https://theijf.org/article/money-laundering-bc>

## The Vancouver Model: Why BC Is a Global Reference Case

"The Vancouver Model" is the term used by anti-money-laundering researchers around the world to describe the system through which transnational organized crime has been able to launder illicit cash through BC's casinos, real estate, and financial institutions at scale. The Cullen Commission was created in part because of this international notoriety.



## Recent context

- In October 2024, TD Bank Group pleaded guilty to anti-money-laundering failings in its US operations and agreed to pay more than \$3 billion in penalties to the US Department of Justice, FinCEN, the OCC, and the Federal Reserve — one of the largest AML penalties ever imposed on a bank. TD is one of the most important Canadian financial institutions for the Lower Mainland.
- Canadian ports, including the Port of Vancouver and the Fraser Port, have been repeatedly identified by federal auditors and the Standing Committee on Public Safety as under-resourced for inspection and intelligence. The same vulnerabilities that allow precursor and contraband flows are exploited for illicit financial flows.
- Crypto ATMs, cash-intensive businesses, and lightly regulated money service businesses (MSBs) — all flagged in FINTRAC's April 23 bulletin — are the modern conduits replacing the casino cage as the laundering channel of choice.

## Building from the Imagine Surrey *Crush Extortion Plan* (released on March 12, 2026)

Today's announcement is the next layer of a sustained safe streets campaign Imagine Surrey is been building.

On March 12, 2026, Imagine Surrey released the *Crush Extortion plan* — six operational pillars focused on deploying the tools that already exist: weekly public emergency briefings led by the Mayor's office, dedicated SPS helicopter patrols and strategic CCTV expansion, a fully resourced Surrey/BC Extortion Task Force with firm officer counts and timelines, the Shield & Signal multilingual victim portal with \$3,000–\$5,000 security micro-grants and a 48-hour protection standard, the Transnational Extortion Disruption Program (FINTRAC–RCMP–CBSA cell on the ground in Surrey), and an Extortion-Focused Prosecution Track with a dedicated Crown docket. The full release is at: [imaginesurrey.ca/news-release-imagine-surrey-lays-out-plan-to-crush-extortion](https://imaginesurrey.ca/news-release-imagine-surrey-lays-out-plan-to-crush-extortion).

## How Casinos Enable Extortion

BC's casinos were the original conduit of the Vancouver Model. Cullen documented in detail how high-volume, high-denomination cash transactions through Lower Mainland casinos enabled organized crime to convert hundreds of millions of dollars in illicit proceeds into clean capital, often via real estate. Reforms have tightened those channels, but the underlying lesson is unchanged: when a jurisdiction expands gambling, it expands the laundering surface.

FINTRAC's April 23 bulletin specifically named casinos as one of the institutions extortion networks rely on. Surrey is currently being targeted by a transnational extortion economy. The wrong moment to expand casino capacity is during a money-laundering crisis. **Imagine Surrey is the only slate in this race that has committed to no new casinos.**

By electing anyone other than Imagine Surrey, Surrey would be rolling the dice on the casino question.