February 7, 2011

Members of the Licensing Committee

Re: Identification at Pawnbroker Shops

The *Pawnbrokers Act* requires that a pawnbroker maintain several different records of all transactions. Section 13 of the *Pawnbrokers Act* requires a pawnbroker to provide a daily report to the local police. The daily report must describe all items received in pawn on the previous business day; as well as describing all of the persons who pawned the items. In addition, Section 11 of the *Pawnbrokers Act* requires a pawnbroker to report to the local police forthwith if:

The pawnbroker has reasonable cause to suspect that an article offered to the pawnbroker has been stolen or otherwise unlawfully obtained. Yet, there is no provision in the Act which requires a pawnbroker to obtain provincially accepted identification when accepting goods or valuables in pawn. Section 9(2) of the *Pawnbrokers Act* permits a pawnbroker, to accept an item in pawn, by filing a report with local Police stating the pawner would not provide them with identification.

There have been requests in the past that pawnbrokers be obligated to obtain identification for items or goods pledged in satisfaction of money lent as a measure to deter the trafficking of stolen goods. There are personal privacy issues to be considered but the concept that identification be required for a specific classification of items such as jewellery, heirlooms or any good(s) appraised at more than $100.00 should be looked at.

The intent is not to hamper the operation of a legal business but to deter the circulation of stolen goods and hopefully, lead to the recovery of such items. The loss of personal property through criminal acts is devastating to families in Toronto. Any actions that can be taken to help victims of crime should and must be considered.

The identification requirement is outside the purview of the City of Toronto but the Province can review the *Pawnbrokers Act* to determine if the identification component of the Act can be amended.

**RECOMMENDATION:**
That Toronto City Council formally request that the Province of Ontario, independently, or in consultation with the Toronto Police Service and the Executive Director of the City's Municipal Licensing & Standards division, review the *Pawnbrokers Act* to make it mandatory, in certain circumstances, for pawnbrokers to require provincially issued identification be produced to the pawnbroker, as a measure to prevent stolen goods from being pawned.

Yours sincerely,

Cesar Palacio, Chair
Licensing and Standards Committee
Councillor, Ward 17 – Davenport

cc: Anna Kinastowski, City Legal
Jim Hart, Municipal Licensing & Standards
M. Towhey, Mayor’s Office
Chief Bill Blair, Toronto Police Services