

EIGHT GREAT NEIGHBOURHOOD SHOPPING AREAS

WESTCOAST LIFE, D17

**EMERSON TO HEAD
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BUSINESS BC, C1

THE VANCOUVER SUN

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SERIOUSLY WESTCOAST SINCE 1912

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COOKING THE BOOKS

Four local restaurants are alleged to have been part of a high-tech scheme to evade tax on millions of dollars. Five people face 25 charges after a nationwide investigation — but it's a worldwide problem

BY DARAH HANSEN
VANCOUVER SUN

A Richmond-based company headed by a prominent local businesswoman has been identified as the source of a specialized software program allegedly used by four local restaurants to skim millions of dollars worth of sales transactions and evade the taxman.

Investigators with the Canada Revenue Agency allege InfoSpec Systems Inc. designed and sold electronic sales suppression software, commonly known as "zappers," marketed under the name of Profittek.

Zapper software programs are becoming an increasingly popular underground technology used by businesses around the world to hide revenues from tax officials. Business-

es can delete 15 per cent or more of their sales by activating a zapper program that alters, or deletes, automated sales records in the cash register. Zappers are used mainly in cash transactions to eliminate as many trails as possible, officials say.

According to a recent *New York Times* article, zappers have become a global phenomenon and have been found in Germany, Sweden, Brazil, Australia, France and the Netherlands. Quebec, however, has seen the largest number of prosecuted cases to date.

Since 1997, zappers have figured in more than 230 investigations, according to Revenu Quebec, the *New York Times* reported. In 212 searches of merchants, Revenu Quebec found 31 zapper programs that worked on 13 cash register systems.

On Wednesday, the CRA announced it had charged five people linked to four Vancouver-area sushi restaurants with tax evasion after a lengthy, countrywide investigation into the sale of zappers.

See **FOUR RESTAURANTS** A4



PHOTO ILLUSTRATION/VANCOUVER SUN

Search warrant documents allege that New BM, the company that operates the Sushi Man restaurant in North Vancouver, deleted more than 75,000 restaurant bills over a period of about five years. The allegations:

Total restaurant bills:	359,716
Number of bills deleted:	75,540 or 21%
Value of deleted cash transactions:	\$1,644,051
Value of income tax evaded:	\$288,826
GST evaded:	\$118,775
Total tax evaded:	\$407,601
Average tax evaded per deleted bill:	\$5.39

Suburbia turns a cold shoulder toward the homeless

Question: Was Mayor Gregor Robertson going commando underneath that kilt? Ask because he's just put his butt on the line, and I worry for his modesty.

He has vowed to end homelessness by 2015. He won't.

And if by some miracle homelessness has been eradicated by that time, he will have played only a peripheral part in it. He'll have brought up the hind end.

The bulk of the credit will have to go to — and is that the collective gnashing of social activist teeth I hear? — the heartless Liberal government in Victoria. Almost all the significant homelessness initiatives of the last two years, and those to come on stream in the next two, have come out of, or been heavily funded by, the provincial government.

The City of Vancouver recognizes this. In a July 2008 review



PETE McMARTIN
VANCOUVER SUN
COLUMNIST

of the updated Metro Vancouver Homeless Action Plan — first written in 2003 — Dan Garrison, managing director of the city's social development department, offered this:

"The Homeless Action Plan identifies a number of actions that are focused within City boundaries, but emphasizes that homelessness is a regional, provincial and national problem

that we (the City) cannot solve alone. While the City provides some resources (e.g. sites for social housing) and regulates development... the responsibility for funding many of the solutions identified in HAP are those of the Federal and Provincial governments. Seventy-two of the 87 actions that are recommended in HAP relate to the responsibilities of the provincial government alone."

The report also recognized that of the plan's 87 initiatives, there had been completion of, or "significant" or "some" progress in 65 of them, and that over the past two years, a "new momentum has developed."

In other words, loads of work still to do, but real progress, too. The city, through its terrific social planning staff, played a significant part in this, and should be lauded for it. And so should Robertson for making it a priority.



IAN SMITH/VANCOUVER SUN
Vancouver Mayor Gregor Robertson is following the provincial government's lead.

But he might serve his constituents better by thinking outside the box, and by that I mean outside city boundaries. Homelessness in Vancouver is a region-

al and provincial problem, not a civic one, and if Robertson says he is going to solve it by 2015, he is either blowing smoke or inhaling it. Or grandstanding to fill out his political résumé.

Consider some facts:

According to the 2008 Metro Vancouver homeless count, the number of homeless in the region grew by 22 per cent, but the greatest and fastest growth came in suburbia, with increases of 100 per cent or more. (Tri-Cities, 140 per cent; Burnaby, 110 per cent; Maple Ridge-Pitt Meadows, 102 per cent.)

The bulk of shelter space and social housing, however, continues to be in the city of Vancouver. There are 1,014 year-round and seasonal shelter spaces in Metro Vancouver, and the city of Vancouver accounts for 75 per cent of them. Surrey, with a population approaching that of Vancouver's, has 89 year-round shel-

ter beds, or about 10 per cent of the region's capacity. Burnaby has zero year-round shelter beds. This is obscene.

It is also grossly unfair to the citizens of Vancouver. They have shouldered the burden for too long — a burden which all levels of government recognize. They also recognize that the city, and most especially the Downtown Eastside, has reached a saturation point. There are now 200 to 300 social services in the DTES alone, a nexus that continues to draw the homeless and socially unstable.

Robertson wants to eradicate homelessness by 2015? Well, that's a nice thought. Sweet, really, if self-gratifying. But he can make a difference by insisting his fellow mayors pick up the slack. It's well past the time they did.

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TAXPAYERS STIFFED

Unpaid medical bills, largely incurred by tourists and foreigners, have left B.C. taxpayers on the hook for about \$20 million. **A6**

ONLINE

PAY PACKETS

See what B.C.'s senior civil servants earn at vancouver.sun.com/pay



SUNNY, FULL REPORT, C10

\$100 PLUS GST
\$1.25 MINIMUM OUTSIDE THE LOWER MAINLAND





Front & Company sells upscale consignment clothing and funky knick-knacks on Main Street. WARD PERRIN/VANCOUVER SUN

TOYS IN THE 'HOOD

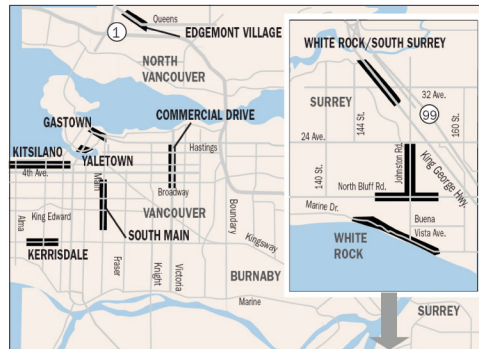
Neighbourhood boutiques are as diverse and characterful as the people on your list

BY LUCY HYSLOP

The best gift, as everyone knows, is the one that really, really floats the boat of the receiver. That once led me, admittedly when I was a very young child, to gift-wrap my older siblings' most cherished toys and give them to them as presents. They felt cheated, of course, and the gesture became part of family folklore.

Ridicule aside, though, it does exemplify the truism that knowing you've got your hands on something that suits the recipient makes you happy, too.

Thankfully, Metro Vancouver's distinctive neighbourhoods are full of character, and often reflect the person for whom we shop. Whether it's for the well-heeled or the West Coast loafer, *Boho sapiens* or a Bikram yoga devotee, the 'hoods are where it's at.





Lululemon's flagship store on Fourth Avenue, for stretch with style. WARD PERRIN/VANCOUVER SUN

■ KITSILANO/POINT GREY

For the downward dogger or the downhill boarder, apparel that works

There's no place like *om*. Kits's West Fourth Avenue is the spiritual epicentre of the downward doggers, so head there without hesitation for the Bikram devotee or flow yogi in your life. It's a strip awash with great apparel. It's also perfect for the typical West Coaster, from snowboarders to cross-country skiers and outdoor enthusiasts.

Closer to the University of B.C., West 10th offers classy Point Grey Village, ideal for the more well-heeled relatives on your list.

GumDrops

It's only a year old, but GumDrops is the go-to spot for everything you need to weather the rainy season(s) and strike a pose at the same time. The brainchild of Shanda Jerrett, an Australian expat who lives by the slogan "putting rainy-day frowns upside-down," the airy store has boots that would be just as suitable for a night out clubbing and hats you'd happily wear indoors.

Her holiday suggestion for anyone braving the elements? A Sunice coat (\$360).
2029 West Fourth Ave. (604-733-1037)

Enda B. Men and Women

Brimming with an eclectic range of evening wear and designer collections, Enda B. has been a Point Grey institution for a quarter of a century.

The perfect gift this year is the DKNY Cozy (from about \$189), says manager Tara Burke, because there are at least 12 ways to wear it.
4346 West Tenth Ave. (604-228-1214)

Karma

As the name suggests, there's a good vibe to shopping here. Karma is a Vancouver company, started in 2002, that still makes the clothes that "move with you" in the city.

Highly recommended as a gift among its active and yoga-specific wear is **Karma's new light jacket (\$130) (below)**.

2066 West Fourth Ave. (604-731-7747)

Lululemon Athletica

Thank goodness for founder Chip Wilson's vision of putting style, as well as practicality, into yogawear. From sweat pants to yoga blocks, this starting point of the global Lululemon empire has everything a yogi could ever need to help that stretch go just a little bit deeper. This holiday season, check out the snug preshrunk Remix Lulu Hoodie (\$93).

2113 West Fourth Ave. (604-732-6111)

Showcase Snowboards

You may remember it affectionately as Westbeach, but the all-things-snow institution on West Fourth has been renamed Showcase Snowboards after the renowned, ground-breaking Whistler brand. Volcom's hip Monocle jacket (\$309) has the store excited this season.

1766 West Fourth Ave. (604-731-6449)

Tenth & Proper

I defy anyone not to fall in love with the outfits of Vancouver's Evan & Dean duo or Nougat of London, two of many designer labels offered by this upscale store for discerning stylistas.

Owner Leanne Dunic opts for a book this holiday: *High Style*, by Ron Woodson (\$78) because it's "everything a well-heeled fashionista would need."

4483 West Tenth Ave. (604-222-1115)

Fuel up at: Kits Coffee Company, 2198 West Fourth Ave. (604-739 0139); Mix, 4430 West Tenth Ave. (604-221-4145)

