

Inquiries of the Ministry

I should like to ask whether the Minister of Labour is in a position to comment on this charge made in Vancouver. Can he give the house any indication of how many millions of dollars have been lost to the fund through fraud and, finally, can he clear the good name of the vast majority of Canadian workers whom Mr. Murchison is charging with collusion?

Hon. Michael Starr (Minister of Labour): I have not seen the original article, but it has been brought to my attention. Mr. Murchison is not the head of the unemployment insurance commission; he is one of three members. The chief commissioner is Mr. Fortier. Mr. Fortier has been in touch with Mr. Murchison with respect to this statement, and reports to me that Mr. Murchison in his own words did not make any estimate of the drain on the fund resulting from fraud committed by employers in giving false statements of reasons for separation. He was pressed to suggest a figure but declined for the reason that the extent of the irregularity was not known and could not be ascertained with any degree of accuracy.

The Canadian Press checked with Mr. Murchison yesterday morning and now know that no amount was stated. Mr. Murchison also has a copy of the statement which was used at the interview.

INQUIRY AS TO REPLENISHMENT OF FUND

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I ask the Minister of Finance if he can say whether or not it is a fact that the unemployment insurance commission has asked for a further amount in addition to the \$25 million to replenish the unemployment insurance fund, and that this request was made at the time the original amount was decided on by the government.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, the hon. member keeps referring to facts when the things he is saying are not facts.

Mr. Martin (Essex East): I am just asking a question.

Mr. Fleming (Eglinton): The answer is no. This figure was arrived at in the course of normal consultation on the part of those concerned, and it was concluded that this was a quite adequate figure to cover all likely contingencies.

Mr. Martin (Essex East): May I ask the minister if a request for a larger amount was made? That was my question.

Mr. Fleming (Eglinton): By whom?

Mr. Martin (Essex East): By the unemployment insurance commission.

[Mr. Winch.]

Mr. Fleming (Eglinton): I think I have answered that question. This was a matter for discussion, and the figure that was put forward in the estimates, \$25 million, was regarded by all concerned in the light of the discussion as quite adequate to meet all foreseeable contingencies.

ADMINISTRATION OF JUSTICE

JOHN PAPALIA—INQUIRY AS TO RELEASE TO U.S. AUTHORITIES

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, may I direct a question to the Minister of Justice. If he can, will the minister explain why Mr. Justice W. D. Roach, the commissioner appointed to investigate organized crime in Ontario, was not consulted before the release to the United States authorities of John Papalia, and what were the reasons for the release of Papalia to the United States authorities on March 15, 1962?

Hon. E. D. Fulton (Minister of Justice): Yes, Mr. Speaker. I think if my hon. friend would look at the article from which he undoubtedly took his information, which article appeared in the *Globe and Mail* of March 21, he would see the reason Mr. Justice Roach was not consulted. There was no knowledge here that Mr. Justice Roach wished to question this man. I did consult with the attorney general of Ontario, who has made a statement as to why he did not inform Mr. Justice Roach.

The reason for Papalia's release from prison here was in order that he might be sent to the United States, an order for his extradition having been made, to stand trial on a charge of conspiracy in a very large narcotic importing racket. The United States authorities indicated to us that they wished to proceed with the trial this month or early in April, that they had a number of other accused persons ready for trial, and that it would be very much in their interests and in the interests of justice if Papalia were to stand trial at the same time, as all these accused in the United States were involved together.

We concluded that it was in the interests of justice and in accordance with the extradition treaty to release Papalia in order that the order made by His Honour Judge Forsyth for his extradition could be complied with.

Mr. Martin (Essex East): A supplementary question, Mr. Speaker. Is it a fact that Papalia had not completed his sentence in Canada and that his counsel had asked that he not be released at this time in view of that fact?

Mr. Fulton: I am not aware that any request was made by his counsel, Mr. Speaker. It is true that he had not completed his sentence, but the time for appeal had gone by.