

● (1232)

Back in the fifties in a moment of weakness, the Chair accepted a certain proposition with regard to the discussion of supplementary estimates. At that time the opposition thought it was great, but when they took over on the other side they discovered what sort of hair shirt they had fashioned. I caution hon. members opposite that they are fashioning hair shirts which they will have to wear.

I will not discuss the budget presentation which occurred the other night. That will come in due course. There are changes and inadequacies but, according to my argument today, this is not the time to discuss the matter proposed by the Minister of Finance.

It is unfortunate that the ministers involved with what I am about to discuss are not here, but on Thursday past there was considerable questioning by my colleagues, the hon. member for Central Nova (Mr. MacKay), the hon. member for Perth-Wilmot (Mr. Jarvis), the hon. member for Edmonton-Centre (Mr. Paproski) and possibly others with regard to an agreement signed by the deputy minister of National Revenue and a representative of the Royal Canadian Mounted Police in April of 1972. The hon. Minister of National Revenue (Mr. Guay) has indicated that everything was legal. When I asked the Minister of National Revenue about the definition of organized crime, the Solicitor General (Mr. Fox) said that it was contained in Bill C-51. I do not know how one of the principal officers of this House can assert that a definition contained in a bill passed by this House in mid-1977 should define the terms of an agreement signed in 1972. What is this? Is it a new form of retroactive legislation?

I say to hon. members opposite that the argument made by the Solicitor General is fatuous. That is the best I can say for it. Perhaps there is a definition of organized crime in Bill C-51 which can be found in clause 7 at page 47. Possibly there is some wording that can be interpreted as a definition of organized crime. The hon. member for Central Nova indicated that the best definition of organized crime is contained in Bill C-24, the Immigration Act passed this summer. Presumably that has a retroactive meaning to 1972. I have a copy of the agreement which the Solicitor General tabled as a result of my question to him. This agreement is supposed to deal with investigations concerning unreported and innocent accumulation of wealth amassed by organized crime figures. Perhaps the authors of the press release are aware of what organized crime figures are because they base themselves on present legislation; but when one looks at the agreement, there is no such thing.

All hon. members are subject to investigation under the terms of this agreement. I should like to refer to the memorandum of understanding between the Department of National Revenue, and the Department of the Solicitor General which in part reads as follows:

The Minister of National Revenue, pursuant to the provisions of subsection (4) of section 241 of the Income Tax Act, hereby designates the members of the Directorate of Criminal Investigations of the Royal Canadian Mounted Police as authorized persons for the purpose of assisting him and his officials in carrying out investigations for such purposes as the Minister of National Revenue may designate related to the administration or enforcement of the Income Tax Act.

The Address—Hon. M. Lambert

There is not one blessed word limiting such investigations to criminal activity. The memorandum continues as follows:

The Royal Canadian Mounted Police acknowledges that the members of the Directorate of Criminal Investigations of the Royal Canadian Mounted Police will conduct for the purposes of the Income Tax Act—

Remember it is limited strictly for the purposes of the Income Tax Act.

—Such investigations of such persons as the Minister of National Revenue may from time to time request—

There is one exception and that is if the RCMP does not have enough personnel they are permitted to say: "No thanks, we cannot do it."

The memorandum continues:

The Minister of National Revenue will furnish the Directorate of Criminal Investigations of the Royal Canadian Mounted Police with such information or material in his possession which in the minister's opinion will facilitate the conduct of any investigation which the Directorate of Criminal Investigations of the Royal Canadian Mounted Police is carrying out on behalf of the minister.

Mr. Speaker, that reveals the precise situation. The Minister of National Revenue says: "All legal", I say "Totally illegal activity" under this agreement as revealed in the Laycraft inquiry. I am not making any brief with the Royal American Shows, but where this agreement comes into play is in the Minister of National Revenue turning over to the RCMP the tax returns of one Albert J. Anderson not only for the year 1975 but for previous years.

As far as the RCMP were concerned, they were interested in Mr. Anderson because of charges under the Criminal Code, and that is totally denied under this agreement. There was no investigation of Mr. Anderson with regard to the Income Tax Act, but officials of the Department of National Revenue gave his income tax returns to the RCMP who were looking into his background with regard to a charge under the Criminal Code. Of course, the whole thing has fallen through so far as prosecution of Mr. Anderson is concerned, but let not the Minister of National Revenue stand up in this House and say his officials acted legally. I say they acted illegally.

● (1242)

Second, there was the question of tapes. The provisions of our privacy legislation which deal with wiretapping under the Criminal Code are related to offences under the Criminal Code and others designated specifically in the statute as passed by this House. Nowhere does it mention income tax, yet the representative of the Department of National Revenue admitted in the Laycraft inquiry that he had listened to tapes furnished to him by the RCMP for which authority had been obtained for criminal purposes. At no time was it mentioned that these tapes were going to be listened to by a representative of the Department of National Revenue. The section does not include the Income Tax Act as a legal purpose whereby the police may obtain permission to—

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Does the hon. member for Edmonton West (Mr. Lambert) have unanimous consent?