

Criminal Code

The Assistant Deputy Chairman: Order. House in Committee of the Whole on Bill C-117, to amend the Criminal Code.

On Clause 1—

Clause agreed to.

On Clause 2—*Coming into force:*

Mr. Nielsen: May I ask the minister when it is the intention of this government that this bill be proclaimed?

Mr. Whelan: All I can tell the hon. member, Mr. Chairman, is as soon as possible.

Mr. Nielsen: Well, that is hardly satisfactory. The government considers this a very urgent bill. Surely they should have some order in their planning so that they can tell us now when they intend to proclaim the bill, within a time-frame of, say, a week, two weeks or even a month.

Mr. Whelan: I would say before the House adjourns.

Mr. Nielsen: I take it that the minister implicitly says that the bill will be proclaimed on or before June 30; is that correct?

Mr. Whelan: I would hope so.

Mr. Deans: Mr. Speaker, I would like to ask the minister a question if I may. Two of the members who rose to speak after I did mentioned that one of their reasons for supporting the bill had to do with the impact this bill might have on criminal activity.

Mr. Nielsen: We are on Clause 2.

Mr. Deans: I just want to ask a question with regard to this because before it is proclaimed I would like to know what the minister feels about this. If I interpret correctly the remarks of the hon. members, they are saying that because there is an illegal bookmaking operation, we will solve that problem by legalizing off-track betting. Taken to its logical conclusion, I wonder if the minister would agree with the thought that were we to look at making legal all matters which are presently illegal, that would somehow or other resolve our problems in the minds of the members.

Mr. Whelan: Mr. Chairman, we heard the figures on how much betting on horse racing is done through bookies; we do not say this bill will eliminate that. I do not think there is anything that anyone can do by passing laws which will eliminate bookies totally or illegal betting, but we do think it will eliminate some. Some of the money will go directly to the racetrack, and in turn to the industry.

● (1540)

There is a great deal of misconception about how much money is bet by the bookies. About 90 per cent of the bookies' operation is other than horse racing. About 10 per cent of the functions of a bookie operation is horse racing. The rest is football, baseball, hockey, soccer, golf—you name it. We do not say we can eliminate it but we think we can lessen illegal betting. The more money that is bet will actually be placed in

the horse racing industry through the pari-mutuel betting system. In turn, the horse owner-operators will share in a larger amount of revenue so they will naturally have a bigger share.

Mr. Deans: Mr. Chairman, may I pursue this for a moment? Is it not true that on balance the effect this will have will be only on those municipalities where a track exists to which a person would go to make a telephone call to place a bet? For the majority of municipalities across the country the operation of illegal bookmaking will be continued. I think the minister would be in agreement with that. However, I would ask the minister to elaborate on one of the arguments made by the hon. member for Notre-Dame-de-Grâce-Lachine East when he mentioned the assistance in eliminating the sort of criminality within the system which currently exists. Is it the minister's intention then to open bookmaking in a legal sense in all areas of sport and other areas where betting regularly takes place through illegal bookmaking in order to eliminate the criminality involved?

Mr. Whelan: Mr. Chairman, that is a strong argument which many people put forward that this bill is going to eliminate it. I do not think we can eliminate it in horse racing with what we are proposing. I do not think you can eliminate it in any of the options that bookie operators have. But what the hon. member said is true, that is, where there is no racetrack there are bookies. They are all over the place. It is illegal for them to operate but from time to time some of them are arrested, some of them are fined. In many instances they are not fined in a very severe manner, I must say. But we do not pretend that we are going to eliminate all the bookie operations. There is an arrangement for telephone account betting. You can use a zenith number. Again, as the hon. member said, those who can afford it will be the ones who use it. They will need to have money on deposit. They will not be able to call up and say, "I want to make a bet" as they can with their bookie, but the bookie uses strong-arm tactics to recover any loss if he has one. This system will be only for those who can afford to bet. I do not condone a tax on poor people, as the hon. member said. That is one of the reasons I am very reluctant to go to the off-track betting shops. As I said earlier, there are many people already making applications for off-track betting shops. I have strong feelings about that.

Mention was made earlier about the amount of revenue which the federal government gets. It was suggested that we may be making money. We receive 0.6 of the take, which is for our administration. It is clearly stated that all levies collected are used to cover the cost of supervision by the federal government. The surplus revenue is carried over for use in the next fiscal year, that is retained earnings. You are never allowed to have any more than a surplus \$2 million. When there is a surplus of more than \$2 million the rate of levy is reduced. Automatically that has to be done.