

*Adjournment Debate*

not, you have to admire what the president is doing. I am not suggesting that the Minister of Justice should court danger. No, but I expect him to act on the the promises and commitments he made.

[*English*]

**Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration):** Mr. Speaker, an act to amend the Criminal Code, the Food and Drugs Act and the Narcotic Control Act, or Bill C-61, came into force in Canada on January 1, 1989.

The law is based on the premise that the best deterrent and punishment for profit-motivated offences associated with organized criminal activity is the confiscation of the illegally acquired assets.

As a result of the amendments, the courts have been empowered to order the forfeiture to Her Majesty of certain proceeds derived from crime.

• (1835)

It should, however, be pointed out that only that portion of forfeited proceeds that exceeds the amounts that may be ordered returned to any victims of the offence, actually accrue to the government since priority will be given to use the property of an offender to make restitution to the victims of the crime.

Under the Criminal Code the surplus portion of the proceeds goes to the provinces under section 723(1) for Criminal Code offences whereas drug proceeds go to the federal government.

Municipal officials have expressed their concern over the disposition of the forfeited proceeds of designated drug offences. They have asked that the proceeds accruing to the federal government be directed to the municipally-controlled police force that assumed the expense of enforcing the law under which the forfeiture was imposed. The Minister of Justice has asked his officials to examine these questions, and they are doing that. The minister assures me he will be reporting in the very near future.

What must be emphasized, however, is that the basic philosophy and deterrent effect of the law, which is to remove the incentive of committing profit-motivated

offences by depriving the offender of the proceeds of such an offence, will be maintained. The impact of the law on the accused will not be influenced by who will receive the benefit of the forfeited proceeds.

The strength of this legislation must not be measured merely by its profitability to one authority or by its global impact on crime. Our government will surely guide its actions on this basis.

I would also like to mention other important facets of the law.

In the absence of the proceeds or where they have been commingled with other property, sentencing courts may impose a fine in an equivalent amount in lieu of the forfeiture. The court will impose in default of payment a term of imprisonment related to the amount of the fine. This period of imprisonment will be served consecutively.

As a protective measure the courts also have the power to order the pre-trial seizure or restraint of proceeds of crimes. Access to income tax information can be made available for drug proceeds investigations.

Protection from civil or criminal liability is extended to persons who disclose to authorities their reasonable suspicion relating to the commission of enterprise crime offences or of designated drug offences.

A new offence of laundering has been created and applies to any person who knowingly deals in the proceeds of specified crimes with intent to conceal or to convert them.

As you can appreciate, Mr. Speaker, this law not only has a practical impact on offenders but also serves as a deterrent to potential offenders. Due consideration will be given to measures likely to improve its implementation.

[*Translation*]

**The Acting Speaker (Mr. Paproski):** The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.38 p.m.