

Organized Crime

of people of commitment in Prince Albert than in any other city in the country because we have this large preponderance of institutions which have grown up in the area.

● (1710)

Returning to the discussion on organized crime, my guess is that many of the people who are incarcerated in these institutions are there, not because of their involvement in organized crime, but because of their involvement in casual crime. However, after they have been incarcerated for a while, they are prime recruits for organized crime. Their second or third terms spent in these institutions are quite often a result of being part of the organization which has brought them into organized crime. The process of recruiting Canadians is a real concern of this motion. We need to find out more about organized crime. We need to know how it operates in Canada. We need to find out how recruitment is done and, as I have suggested, federal institutions are prime recruiting areas for organized crime. We need to know how organized crime launders its money and how many of the businesses which we support innocently are actually businesses which exist for the purposes of laundering money which had been received in the first place through crime.

Bill C-61 deals with the profits of crime, at least to some extent. However, it is like closing the barn door after the horse has been stolen. The only profits that can be easily traced by Bill C-61 are those which are the direct profits from the activities of organized crime.

The Hon. Member for Trinity has outlined some areas of concern. The members of my Party and I agree with her that there is a real need to take a good look at the basis of organized crime and how it operates and grows. We would even suggest that there is possibly a need to expand the inquiry further so that it may look at crimes which may not be so organized, like white-collar crime, corporate crime and crimes against the environment. These crimes should be part of an investigation.

We would support this motion recommending to the Government that it look into and find out a little more about organized crime. It is not as if this has not been done before and its effectiveness is not known. In the area surrounding New York, a considerable amount of time and effort has been spent over the last few years looking at organized crime in the United States. This has not had the result of wiping it out, but it has forced the people involved in organized crime to back off from certain industries which have laundered their money and from certain kinds of crime which are more easily traced.

I found very interesting an article on organized crime which appeared in *The Toronto Star*. The article provided a résumé of the kind of things organized crime has got involved in. That makes me recognize that there is much more to it than appears on the surface. Therefore, the kind of investigation suggested by the Hon. Member for Trinity is appropriate and should be allowed to go ahead and be supported by the Government.

The article suggests that tactical crimes such as assault, blackmail, bombing, bribery, coercion, extortion, monopoly, murder and weapons are common tools of the trade of organized crime. The article suggests that organized crime even operates businesses which are available to the public in general but are in themselves illegal. As an innocent from the West, I suppose I was very surprised to learn that one can find someone to burn down one's neighbour's house or one's own house, I suppose. This business exists.

I suppose the illegal business that we most often associate with organized crime is the drug trade. However, things like insurance fraud, the pornography which we have been discussing in the House, prostitution, smuggling and income tax violations are other areas in which organized crime takes an active role. These things have almost become part of the structure of our society.

The other areas in which organized crime is involved listed in this article include bankruptcy, alcohol, bookmaking, cards and dice, loan sharking and counterfeiting of bonds and jewellery. However, the most interesting third of the article deals with certain legitimate businesses which, because of their structure, provide prime methods of laundering money. We know something about this structure, but we do not know how it operates well enough to take action against it. Consequently, sectors like construction, entertainment and insurance are involved.

The insurance business seems like a very legitimate business upon which we all depend. We do not realize, however, that it is also the kind of business that allows organized crime to show profits which, if investigated thoroughly, would be shown to be laundered profits. Hotels, auto sales, video games and vending machines are all methods by which the people involved in organized crime can hide money and then have it appear as the profits of legitimate business.

I recommend that we support this motion and that the Government go ahead with the kind of investigation suggested.

Mr. Jim Hawkes (Calgary West): Madam Speaker, I would like to make a few comments because later this day we will reach a decision on this proposal.

First I would like to deal with the amendment. I have a great deal of respect for the Hon. Member for Trinity (Miss Nicholson) for bringing this motion forward and for much of the good work she does in the House. She mentioned the recently completed commission report which took 18 months to examine a limited range of the affairs of a single individual. It is not abnormal for royal commissions to have time frames of at least 18 months. The royal commission on the economy took three years and cost considerably more than \$3 million.

● (1720)

First, I would urge Hon. Members to defeat the amendment which says first the commission should report in six months. We are dealing with an international phenomenon. Organized