

doers and criminals can carry on with a higher degree of impunity than they can in any other part of the world?

**Hon. Ron Basford (Minister of Justice):** Mr. Speaker, I do not accept the right hon. gentleman's suggestion about indifference. We in this government have been concerned about organized crime for some time. We co-operated fully with the crime inquiry in the province of Quebec. The last round of Criminal Code amendments indicated that we were prepared to give statutory form to provincial crime inquiries, but as a result of the decision of the Supreme Court of Canada such amendments were unnecessary. It has been generally felt by law enforcement officials and others that such an inquiry is most effectively conducted by provincial attorneys general who have within their hands the administration and enforcement of the Criminal Code. The Quebec inquiry is an example of the type of action which is suggested. Contrary to indifference, no one on this side has made the kind of statement we heard on television last night. The hon. member for Northumberland-Durham has said that there is no organized crime in Ontario.

**An hon. Member:** Don't be such a cheap politician.

**An hon. Member:** That was five years ago.

**Mr. Basford:** It is as a result of the recommendations of and the consultations with the ten provincial attorneys general representing all parties in Canada that we proposed in this House changes in the wire-tap law. Law enforcement agencies across this country have said that they are hampered in dealing with the organizers of organized crime. Rather than looking for parliamentary pyrotechnics, I hope the right hon. gentleman will see that that legislation is passed.

**Some hon. Members:** Hear, hear!

**Mr. Diefenbaker:** We have not listened to an example of pyrotechnics on the part of the minister; we have listened to the usual alibi that he adopts. Let us face the fact that international crime covers all of Canada and that the attorneys general have jurisdiction only within their provinces. I come back to this simple question: Will the minister follow the recommendations of two commissions and set up a royal commission so that wherever the wrongdoers are, they will not be concealed either directly or indirectly?

**Mr. Speaker:** Order, please. The hon. member for York-Simcoe.

**Mr. Baker (Grenville-Carleton):** No answer.

**Mr. Diefenbaker:** The question should be faced.

**Some hon. Members:** Oh, oh!

**Mr. Basford:** Mr. Speaker—

**Mr. Clark:** You flushed him out.

**Mr. Basford:** The right hon. gentleman did not ask a question; he simply repeated a previous comment. I answered

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previously by saying that it is the advice of law enforcement officers that such an inquiry is best conducted at the provincial level by provincial attorneys general. I will be meeting with provincial attorneys general shortly. If they should make such recommendations, I will consider them. In the meantime, I am saying to the right hon. gentleman that it seems to be preferable to accept the advice of every law enforcement agency in this country and amend the Criminal Code in the way suggested by this government, so that the law enforcement agencies of Canada can more effectively deal with organized crime.

**Mr. Diefenbaker:** Is the minister covering up?

**Some hon. Members:** Oh, oh!

**An hon. Member:** Go back to London.

### CBC TELEVISION PROGRAM ON ORGANIZED CRIME— GOVERNMENT REACTION

**Mr. R. Gordon L. Fairweather (Fundy-Royal):** Mr. Speaker, would the Minister of Justice address himself to the fact that several aspects of last night's film dealt with areas which are clearly of federal responsibility—loan-sharking, the whole aspect of narcotics control, and so on—and that the wire-tapping provisions the minister so highly recommends to us have been found unacceptable in the United States, and yet in the United States they have been able to deal with these issues more forthrightly than this government?

**Hon. Ron Basford (Minister of Justice):** Mr. Speaker, it appears that part of the hon. gentleman's question is correct. On the basis of various reports, including that of the Quebec crime inquiry and the work of CLEU in British Columbia, it seems that loan-sharking is increasingly becoming a front-end operation of organized crime. It is for that reason that sections 3 and 20 of the Small Loans Act are included in the wire-tap amendments which are now before parliament.

**Mr. Baker (Grenville-Carleton):** Your only answer is wire-tapping.

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### FINANCE

#### REPORTED INCREASE IN UNEMPLOYMENT AND INFLATION

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is for the Minister of Finance. With the United States reporting last week its lowest unemployment in 30 months, while Canada has its highest in 37 years, and with inflation continuing to be higher here than in the United States, is the minister in a position today to confirm the finding in OECD material to be released later this month in Paris indicating that worse is in store for Canada, with real growth expected to be below 4 per cent and with high inflation and deficits persisting well into 1978?