

FILE USERS

RECORDS MANAGEMENT is established to serve you and satisfactory service is largely dependent upon your prompt return of this file. This file is charged to you and you are responsible for its return, unless you notify your **RECORDS UNIT** to transfer the file to another branch or person, the file remains charged to you until it is returned.

INSTRUCTIONS FOR USE OF FILE COVER

- Column 1 – To indicate where file is to be routed.
- Column 2 – To indicate where file is routed from.
- Column 3 – To indicate date file routed.
- Column 4 – To indicate P.A. or Transfer of file.
- Column 5 – For user, initials or designation to show action complete.
- Column 6 – To indicate date file returned to Records.
- Column 7 – To indicate user requesting file B.F. at later date.
- Column 8 – To indicate date file to be brought forward.

REMINDERS

- DON'T** – retain file longer than is absolutely necessary.
- DON'T** – hide files in your desk or in filing cabinets in your office where in your absence, they may be inaccessible.
- DON'T** – place correspondence dealing with more than one subject on a file unless extra copies have been made for relevant files.
- DON'T** – leave files on the floor, window sills or waste baskets – this practice often results in loss or damage.
- DON'T** – change file caption or in any way mutilate file jackets.
- DON'T** – overload "GENERAL FILES". It is difficult to find previous correspondence on a general file.
- DON'T** – remove correspondence from this file without consulting your Records Unit.

AUX USAGERS DU DOSSIER

LA GESTION DES DOSSIERS existe pour vous servir et elle s'acquitte bien de cette fonction dans la mesure où vous renvoyez promptement le dossier. Ce dossier vous est confié et il vous appartient de le renvoyer à son expéditeur, à moins que vous ne donniez instruction à votre **SECTION DES DOSSIERS** de le transmettre à une autre Direction ou une autre personne; sans cela, le dossier demeure sous votre responsabilité jusqu'à son retour à l'expéditeur.

EXPLICATIONS RELATIVES AUX INDICATIONS À PORTER SUR LA CHEMISE

- Colonne 1 – nom du destinataire
- Colonne 2 – nom de l'expéditeur
- Colonne 3 – date de l'envoi
- Colonne 4 – indication de classer le dossier ou de le transmettre à une autre personne
- Colonne 5 – initiales de l'utilisateur du dossier ou indication que les mesures voulues ont été prises
- Colonne 6 – date de renvoi du dossier
- Colonne 7 – demande de renvoi du dossier à l'utilisateur à une date indiquée
- Colonne 8 – date où le dossier doit être renvoyé

RAPPELS

- NE PAS** – retenir le dossier plus longtemps que nécessaire;
- NE PAS** – mettre les dossiers hors de vue dans votre bureau ou dans vos classeurs s'il y a ris que qu'on ne puisse les trouver en votre absence;
- NE PAS** – mettre la correspondance sur plus d'un sujet dans un seul dossier à moins d'avoir fait faire des copies supplémentaires pour les dossiers en question;
- NE PAS** – laisser les dossiers sur le parquet, les appuis de fenêtre, ou les corbeilles à papiers; une telle pratique entraîne souvent la perte ou l'endommagement des dossiers;
- NE PAS** – changer l'intitulé du dossier ni mutiler la chemise de quelque façon;
- NE PAS** – surcharger les "dossier généraux"; il est difficile de trouver la correspondance antérieure dans un dossier général;
- NE PAS** – enlever de correspondance du dossier sans consulter la Section des dossiers.

CROSS REFERENCES
RÉFÉRENCES CROISÉES

FILE SCHEDULE HISTOIRE DU DOSSIER	YEARS ANNEES
ACTIVE ACTIF	
STORAGE EN ENTREPOSAGE	
SCREENING AU TRI	
COMPLETE DESTRUCTION ENTIÈREMENT DÉTRUIT	
TO PUBLIC ARCHIVES REC- ORDS CENTRE - ENVOYÉ AU CENTRE DES ARCHIVES PUBLIQUES.	
AUTHORITY - T.B. - TRANSMIS AU CONSEIL DU TRÉSOR	

November 3, 1970.

Montreal Activity - November

IH255-1
Organized Crime - General

On September 26 an attempt was made on the lives of [REDACTED] born [REDACTED] Italy, landed 15 April, 1968, and, [REDACTED], born [REDACTED], Italy, landed 31 May, 1964, in what is described as an underworld assassination try. Both are recuperating.

The alleged assailants, all born at [REDACTED], Italy, are:

1. [REDACTED] born [REDACTED] landed 15 Sept. 1964.
2. [REDACTED] born [REDACTED] landed 21 April, 1957.
3. [REDACTED] Born [REDACTED] landed 27 August, 1966.

[REDACTED] departed for Italy, September 28 to avoid prosecution and are believed to be residing in Palermo. [REDACTED] is thought to have proceeded to Vancouver but his whereabouts are unknown. The Montreal P.D. are contemplating extradition.

As the suspects are considered to have abandoned domicile by their flight, Montreal District Office is arranging for lookouts in case they attempt to return at some future date. The Italian authorities are being alerted to the presence of [REDACTED] by the RCMP.

s.19(1)

CLOSED
VOLUME



VOLUME
COMPLET

DATED FROM
À CONTER DU 14 MAY 1969

TO
JUSQU' AU 18 DECEMBER 1970

AFFIX TO TOP OF FILE — À METTRE SUR LE DOSSIER

DO NOT ADD ANY MORE PAPERS — NE PAS AJOUTER DE DOCUMENTS

FOR SUBSEQUENT CORRESPONDENCE SEE — POUR CORRESPONDANCE ULTÉRIEURE VOIR

FILE NO. — DOSSIER N°

IH255-1

VOLUME

4

c.c. Officer in Charge, Intelligence Unit, Toronto.
c.c. Director of Immigration Operations, Montreal.
MEMORANDUM
c.c. District Administrator, CIC, Montreal 5178-1-575

CLASSIFICATION



TO
A
Chief, Intelligence Officer,
Ottawa.

YOUR FILE No.
Votre dossier

FROM
De
Officer in Charge,
Intelligence Unit, Montreal.

RECEIVED
DEC 22 1970
I. UNIT
OTTAWA

YOUR FILE No. IH255-E-1
Notre dossier

DATE
December 18, 1970.

FOLD
SUBJECT
Sujet
Criminal Organizations - General

s.19(1)

1. Further to our memorandum dated October 15, 1970, we have been informed by a reliable source that on their return to Sicily, [redacted] and [redacted] met with friends and discussed the [redacted] affair. It was learned that three Italian nationals came to Montreal from Sicily to finish the "job". They were provided with a key to [redacted]

2. These three Italians which names are mentioned hereunder, entered Canada in October 1970. At the time, the War Measures Act was passed and in force, therefore, it was a difficult period for them to accomplish their task. They remained here until November 4, 1970, playing possum, until they were smuggled into the U.S.A. Unfortunately for them, they were detected, arrested and deported from the U.S.A. At the time of their arrest in the U.S.A. on November 4, 1970 we were not aware of the aforementioned information and it was only later that it was passed on to the U.S.B.P.

3. The three Italian nationals involved in this affair are:

- a) [redacted]
- b) [redacted]
- c) [redacted]

Monthly report updated 23/12/70

- 2 -

4. [REDACTED] was rented by [REDACTED] father and further investigation is being carried out as to when this apartment was rented and for what purpose. Telephone number of said apartment is being obtained and a check will be made of long distance calls made from said apartment.

5. You will be informed of any further information.


W.K.
i/c


Marcel Sicotte,
Field Intelligence Officer.

s.19(1)

c.c. Officer in Charge, Intelligence Unit,
Montreal

Document disclosed under the Access to Information Act -
Document divulgué en vertu de la Loi sur l'accès à l'information
IMM-Home
JORDAN/sm

s.19(1)

IH255-1 Vol.3

The Commissioner,
Royal Canadian Mounted Police
Headquarters,
Ottawa 7, Ontario.

OTTAWA 2, November 3, 1970.

Attention: N.C.I.U.

RE: Criminal Organizations - General

You may already be aware of the information in the attached report of our Montreal Unit, dated October 15.

Lookouts are being prepared in the event the suspects should decide to return to Canada. You may wish to alert the Italian authorities to the presence of [REDACTED] and [REDACTED] if this has not already been done.

Should you learn in advance of any proposed return of these people, we would appreciate being so advised.

N. S. Fontanne,
Chief, Intelligence Section,
Home Services Branch,
Canada Immigration Division.

enc.

RCMP
K.L.A.
19(1)

000374

MESSAGE INTERBUREAUX

INTERNAL OFFICE MEMOGRAM

FROM/DE

MONTREAL I UNIT

TO/À

HEAD I UNIT OTT

FILE NO. - ORIGINATOR
REF. - EXPÉDITEUR

111 255-1

FILE NO. - ADDRESSEE
REF. - DESTINATAIRESUBJECT
SUJET

CRIMINAL ORGANIZATIONS

MESSAGE

I am not sure whether the request at paras 798 of your Oct 15 report for lookouts was intended for here or for the District office. In any event we were unable to have them issued here and were reminded of the current instructions as to having the notices prepared locally.

DATE:

28/10/70

SIGNATURE:

REPLY/RÉPONSE

See attached memo.

RECEIVED

NOV 2 1970

I. UNIT.
OTTAWA

DATE:

30-10-70

SIGNATURE:

000375

MEMORANDUM

CLASSIFICATION



TO
A Chief, Intelligence Officer,
Ottawa.

YOUR FILE No.
Votre dossier

OUR FILE No. IH255-E-1
Notre dossier

FROM
De Officer in Charge,
Intelligence Unit, Montreal.

DATE

October 30, 1970.

SUBJECT
Sujet Criminal Organizations - General

1. Further to your inter-office memogram dated October 28, 1970, the lookout notice is being prepared by the District office as per standing instructions in Chapter 25. However, I suggest that the information we have sent you be passed on to RCMP HQ, who in turn may wish to inform their representative in Rome, Italy. No doubt that their representative in Rome will in turn pass this information on to the Italian Authorities.

s.19(1)

[Handwritten initials]
i/c

(M. Sicotte)
Field Intelligence Officer

INTER-OFFICE MEMOGRAM

MESSAGE INTERBUREAUX

TO/A <i>MONTREAL I UNIT</i>	FROM/DE <i>HEAD I UNIT OTT</i>	FILE NO. - ORIGINATOR REF. - EXPÉDITEUR <i>111 255-1</i>
SUBJECT SUJET ▶ <i>CRIMINAL ORGANIZATIONS</i>		

MESSAGE

I am not sure whether the request at paras 788 of your Oct 15 report for lookouts was intended for here or for the District office. In any event we were unable to have them issued here and were reminded of the current instructions as to having the notices prepared locally.

DATE: *28/10/70* SIGNATURE: *[Signature]*

REPLY / RÉPONSE

DATE: SIGNATURE:

c.c.

MEMORANDUM

CLASSIFICATION



TO
A

Chief, Intelligence Officer,
Ottawa.

YOUR FILE No.
Votre dossier

RECEIVED

OCT 19 1970

I. UNIT
OTTAWA

OUR FILE No. IH255-E-1
Notre dossier

DATE October 15, 1970.

FROM
De

Officer in Charge,
Intelligence Unit, Montreal.

FOLD

SUBJECT
Sujet

Criminal Organizations - General

s.19(1)

1. [REDACTED]

2. [REDACTED]

We were also told by the M.C.P. that they intend initiating extradition procedures.

3. [REDACTED] was born in [REDACTED] Italy on [REDACTED]
1.i. 15-4-58, Halifax. Last known address in [REDACTED]
[REDACTED] criminal record on district file [REDACTED]

4. [REDACTED] was born in [REDACTED] Italy, on [REDACTED]
1.i. 31-5-64, Halifax. Last known address in [REDACTED]

5. [REDACTED] was born in [REDACTED] on [REDACTED]
1.i. 15-9-64, last known address in [REDACTED]

6.- [REDACTED] was born in [REDACTED] Italy on [REDACTED]
1.i. 21-4-57, known to us on file [REDACTED] memo dated 22-2-67 para. 10, address: [REDACTED]

7. [REDACTED] have left the country to escape the arms of the Law and not only for a mere special or temporary purpose, therefore, 4(3) of the Immigration Act is applicable in these cases, and a lookout should be posted and this information should also be passed on to our Rome Office, and through their RCMP liaison man have a lookout placed at the Passport Office.

*RCMP
ZPP*

Copy of this report given to [REDACTED] and to Jim [REDACTED] on 23-10-70 [REDACTED]

- 2 -

8. [REDACTED] was granted landing status in 1966, has not acquired Canadian Domicile and a lookout should also be posted on him. According to 4 (1) of the Immigration Act, he has left his place of domicile by running away from the Law. No doubt these persons, after a number of years, will endeavour to return to Canada under an assumed name, or with false passport or documents, and once in Canada will resume their own identity. Therefore, it is important to know in advance if these persons are issued with new passports.


i/c


(M. Sicotte)
Field Intelligence Officer

s.19(1)

TORONTO TELEGRAM

OCT 12 1970

Immigration laws said aiding terrorists

By ROBERT MacDONALD
Telegram Staff Reporter

MONTREAL — Terrorists, revolutionaries, subversives and criminals are able to move in and out of Canada with little or no detection, frustrated authorities here told The Toronto Telegram this weekend.

They place much of the blame on weak Federal immigration laws and badly undermanned intelligence forces.

"There are over 60,000 people in the Montreal area alone who have entered Canada illegally — and there is almost no chance they will be detected — there just isn't the system or the men to catch them," said one police official who specializes in immigration and organized crime.

"These FLQ terrorists know the weaknesses and they can move in and out freely — and they can import other terrorists to help them with little trouble," he added.

Authorities have noted that the FLQ cells here have adopted an increasingly left-wing approach in their search for a separate Quebec. Marxist-Leninist and Maoist terminology has been noted more frequently in their communications and literature.

FLQ members move easily between here and Cuba. Also, revolutionary groups such as the Canadian Trotskyist party have been taking revolutionary leaders across Canada to instruct.

For instance, it was only last month that French revolutionary Alain Krivine toured Canada as a guest of the Trotskyists. The 28-year-old Krivine is head of the Lieue Communiste in France and is acknowledged to have been one of the top strategists in the 1968 revolt of students and workers in France.

One plank in the platform of the Canadian party is that a separate and socialist Quebec be created — whether by force or otherwise.

REVOLUTION

Under the present system, there is nothing to prevent Krivine entering Canada and preaching violent revolution.

Last August The Toronto Telegram published a

series of articles in which it was pointed out that criminal elements and subversives were entering Canada freely under a lax immigration system.

One of the worst weaknesses noted by police and immigration department officials was a regulation that allows persons to enter Canada as "visitors" and then apply to become landed immigrants.

Even if the person fails to qualify under Canada's points system, the applicant can stay for over two years as he appeals his case to the Immigration Appeal Board.

Meanwhile many are involved in criminal and subversive activities before finally leaving the country.

Police here have had increasing problems attempting to prevent the imported criminal, including hired killers, from entering Canada as "visitors."

A current case here is that of Enzo Proco, 25, and Antonio Russo, 24, who stopped four bullets each in an underworld assassination attempt two weeks ago. Police have stamped the attempted murders as definitely Mafia.

Police also know that three Mafia gunmen did the job, but only one is believed still in Canada. Two of the suspected gunmen, Lino Marquetta and Liborio Sciorino, are now back in their native Sicily via regular scheduled airline flights from Montreal to Rome to Sicily.

"And the truth is those guys could walk aboard the plane with little worry — there are only three Federal immigration department investigators for this whole Montreal area," said a police official. "And only one of them ever gets away from the paper work to do any real investigation."

FREEZE

The Federal Government's freeze on the budget of the Immigration Department's intelligence branch has seriously hurt efforts to control the entry and movements of criminals and subversives in the country.

Only 16 men cover all of Canada. The result is a hopeless build-up of cases which should be investigated but usually never get checked.

A frightening current case that has gone unnoticed by the local news me-

dia is that of Jacob Mendlovic, a 20-year-old who was convicted here last year in a bomb scare case at McGill University.

Two weeks ago — at the height of the European hijacking scare — Mendlovic was arrested at Dorval International Airport and charged with fraud.

Police say Mendlovic told them he had been traveling around Europe to such places as North African countries using nothing but stolen boarding passes. He returned to Montreal aboard the only jumbo jet operating into Canada — an Air France Boeing 747 — which carries about 380 passengers.

Police stated the accused had in his luggage boarding passes to many major airlines, including Air Canada and Canadian Pacific Airlines.

The case gives officials the jitters when they consider that they are attempting to implement a new immigration and customs system that allows only about 20 seconds to clear each passenger on the jumbo jets.

It has been learned that the Immigration Department is attempting to devise an identification card system for "visitors" who are seeking landed immigrant status.

However, the Trudeau Government has in the past shown itself to be sensitive to criticism about interfering with the civil rights of left-wing elements.

Revolutionaries and subversives whose aim is disruption of Canadian society has not been shy about demanding their "civil rights."

Feeling here is that the FLQ can only be stopped if the major weaknesses in the immigration system are corrected. Early this year, the Government decided to withdraw immigration officers from the direct inspection of persons entering the country at border points and airports. They are only involved in a customs officer is suspicious and wants a more thorough examination of a person.

CONTROLLED

Police here feel they can only win the fight against

the FLQ terrorists and other subversives if persons entering and leaving the country can be properly controlled.

It has become frustrating for such specialist groups as the "Combatters" squad — the prime anti-FLQ group composed of specialists from the RCMP, provincial and Montreal police.

First formed here in 1968 following the terrorist bombings of Westmount mailboxes, the squad is now closed to 100 in number. It operates on a ratio of three Montreal policemen to each RCMP and QPP member.

The squad was allowed to fall in strength prior to 1968 when the Montreal Stock Exchange bombing and the St. Jean Baptiste Day parade threat to Prime Minister Trudeau occurred. But it is now reactivated and is considered the best hope in cracking the escalating kidnapping situation.

L770551

Copy of the attached R.R.s. forwarded to Mr. Marcel Sicotte on 8/10/70 per his telephone request of the same day. Also, advised by telephone 8/10/70 on 8/10/70 that there is no record of Canadian citizenship for [redacted]

Records of Entry:

YR 8/10/70.

May we have 2 copies of R.R.

for each of the following:

[redacted]

N.R. Citizenship Italy.

[redacted]

N.R. Citizenship Italy.

[redacted]

N.R. Italy.

[redacted]

Landed 27-8-66 Dorval, P.Q. Italy

May check be made for the three first mentioned individuals from 1952 - to present, starting from 1952.

This request is urgent.

J. Koshman Rm. 857
Tel. 21922.

**Pages 382 to / à 385
are withheld pursuant to section
sont retenues en vertu de l'article**

19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

Organized Crime in City Bleeds Slums of Millions

By NICHOLAS GAGE

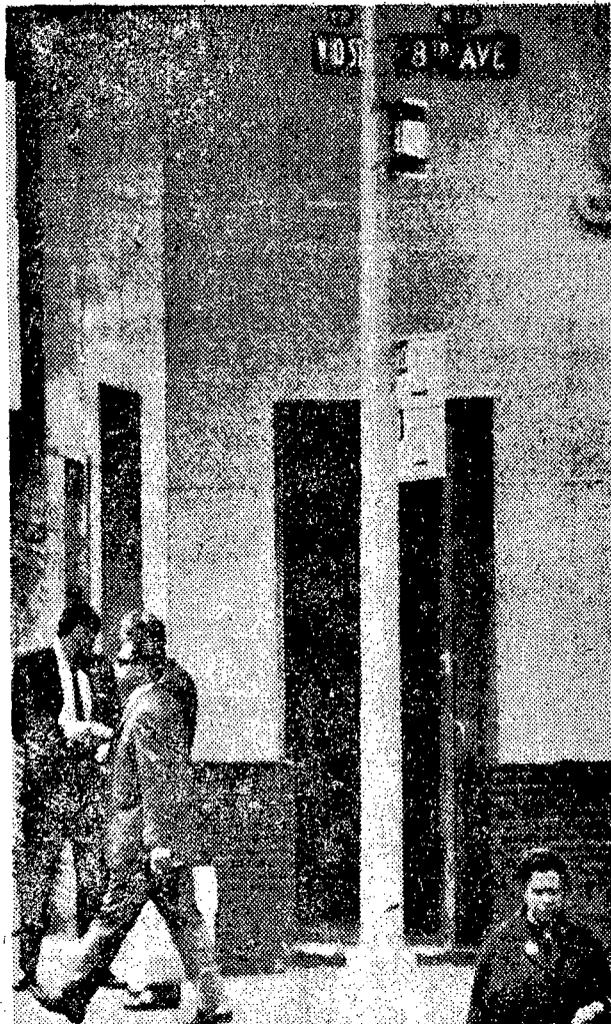


Photo submitted by the prosecution as evidence in trial of Raymond Marquez was said to show Marquez, left, conducting a transaction with an associate. Passers-by are in foreground. Marquez is in jail for violating gambling laws.

When several hundred Puerto Rican youths ran through East Harlem on the night of June 14, smashing store windows and setting rubbish fires after a rally to protest the arrest of a Young Lords leader, almost every store between 105th and 116th Streets suffered some damage.

One of the few in the 11-block area to survive with hardly a scratch, however, was the East Harlem Pet Shop at 2172 Second Avenue, near the corner of 112th Street.

The pet shop is owned by Samuel (Big Sam) Cavaliere, named by law enforcement officials as a leading gambler and loan shark in East Har-

lem. Even youths on a rampage know better than to mess with Big Sam.

Cavaliere is one of several organized crime figures who bleed the city's slums of several hundred million dollars every year. Federal records describe him as a consigliere (counselor) in the Mafia family of the late Thomas Luchese.

Organized crime in the slums is not limited to the Mafia, however; it includes Jews, Puerto Ricans, Cubans and blacks.

It is impossible to determine exactly how much money organized crime squeezes out of the slums. But the New York Joint Legislative Committee on Crime estimated that in one recent year, 1968, organized crime's revenues from narcotics and gambling alone in the city's three main slum areas—Central Harlem, South Bronx and the Bedford-Stuyvesant section of Brooklyn—was \$343-million more than the state spent on welfare in the same area.

"The flow of money from the ghetto to organized crime is so great that there can be little meaningful economic improvement in New York City's ghettos until it is stopped," says State Senator John Hughes of Syracuse, chairman of the crime committee.

Criminal networks victimize slum residents in all walks of life. They reach the young and the weak in the

streets through its drug pushers. They reach laborers and office workers at their jobs through loan-sharks. And they reach housewives, shopkeepers, salesgirls and welfare recipients in their homes and neighborhoods through

its numbers runners.

The most lucrative operation for organized crime is the numbers racket. The policy game, as it is sometimes called, is played by 75 per cent of all adult and late teen-aged slum residents in New York, who spend an average of \$3 to \$5 a week on it, according to the Hughes committee.

That may not seem like much, but it mounts up when several members of a family play it every day. In fact, based on current population figures for Harlem, South Bronx and Bedford-Stuyvesant, government officials estimate that more than \$150-million is spent on the numbers in the three areas every year, almost all of it in games run by organized crime.

The policy game also finances police corruption and enforces other, more destructive rackets. "One of my clerks borrowed money from loan-sharks to do some heavy betting on the numbers and wound up pushing dope to pay off the loan-sharks," said a fruit-store operator in central Harlem. Malcolm X in his autobiography writes of gambling away all the tips he earned as a waiter—"as high as \$15 and \$20 a day"—on the numbers.

Slum residents who play the numbers are pursuing what James Baldwin has called "the American dream in blackface"—the chance of making a "hit," selecting the winning three-digit number for the day, and winning \$600 on a \$1 bet.

Profitable and Efficient

The behind-the-scenes workings of one numbers operation, that of Raymond Marquez, known as "Spanish Ramond," shows how profitable and efficient the numbers racket is.

The Marquez network is one of the largest (it is ranked fifth by law enforcement officials) in the city. It is testament to Marquez's organizational skill that his operation continues even though Marquez himself has been in jail since last January.

Marquez operated freely until the Federal Bureau of Investigation moved against him last year. He was arrested and tried with his chief lieutenant, Radames Mas, on charges of violating Federal gambling laws. Both were convicted and, while out on appeal, Marquez was re-arrested on similar charges by the F.B.I. and remanded to jail.

Court records of the trial, plus new information from law enforcement officials and interviews with slum residents provide a clear picture of the Marquez operation, which

sources report has been revived by lieutenants in the chief's absence.

Marquez's network of five banks, which is centered in the area of Eighth Avenue and 113th Street in Harlem, employs about 400 runners who fan out in the neighborhoods collecting bets from customers.

In addition, Marquez has a number of "spots," usually stores, where clients can place bets. Among the spots Marquez has used, according to the law enforcement officials, is the Caribe Florist Shop at 2082 Eighth Avenue, which is owned by two of his brothers, Fernando and Robert.

Next in line in the Marquez network are 27 controllers, usually store owners, who record the bets from each runner and send the information to the bank, or "office," via a pickup man.

Marquez's pickup people are inconspicuous types such as old people or young girls. They are paid a straight salary, usually about \$100 to \$200 a week.

The controllers get 35 per cent of the bets their runners collect. From this, Marquez expects them to handle such "expenses" as bail and legal fees if their runners are arrested.

For security reasons, Marquez's controllers do not send the money collected along with the list of bets, but settle up periodically with a bank representative, who keeps tabs on them with a master sheet.

The F.B.I. raided one Marquez bank which had a betting volume that sometimes reached \$100,000 a day.

Based in an apartment near the Caribe Florist shop, the bank had an elaborate alarm system connected to the shop. The bank door was encased in metal so securely that F.B.I. agents could not break it down and had to cut a hole through a wall to get in.

Second Bank Found

The New York police later discovered a second Marquez bank, operated by Ramond's aunt and uncle, Angelica and Samuel Marquez, in an apartment at 822 East 220th Street, the Bronx. They pleaded guilty to possession of gambling records.

Despite the raids, the two banks have been revived, and all five Marquez banks are in operation again. On Wednesday, in fact, the F.B.I. arrested a key controller in the operation and records discovered during the arrest indicate that Marquez was doing a full volume of business.

Numbers operations are difficult to break—and numbers operators are difficult to put behind bars—because underlings handle the kind of evidence that stands up in court such as betting slips and controller sheets.

Raymond Marquez was convicted essentially because the F.B.I. found a single fingerprint on a master sheet in the New Jersey home of his lieutenant, Radames Mas.

The underlings who do handle incriminating evidence sometimes are arrested when not protected by payoffs to police, but the bosses have no trouble finding others to replace them.

"It's a vicious circle," said Seymour Rotker, chief of the rackets division in the office of Bronx District Attorney Burton R. Roberts. "The only way you're going to get those at the top is through the utilization of wire taps."

Marquez has five lieutenants in addition to Mas, who was convicted with him. Four are former policemen.

One of them, Anibal Carriome, was arrested with Marquez in the same case that resulted in the conviction of the numbers boss but was not tried because of inadmissible evidence. However, he served three months in jail for contempt when he refused to testify before a grand jury after being granted immunity.

One was dismissed from the New York Police Department after eight years on the force, one retired on accidental disability, and a third worked a full 20 years and is receiving a pension.

Law enforcement officials say that numbers operators like to employ former policemen because of their contacts. Information uncovered in the investigation of the Marquez empire shows that 7.5 per cent of the profit, approximately \$25,000 monthly, was set aside for graft.

25% Profit Margin

The total volume of the Marquez operation is believed to be \$25-million a year. The profit margin of a numbers network is said to be 25 per cent, so the Marquez operation nets approximately \$3.7-million a year.

Most of the money does not stay in Harlem. Although the majority of the runners and some of the controllers are black residents of Harlem, those at the top are not.

Marquez himself has a \$100,000 home at 40 Keats Lane, Great Neck, L.I. He has substantial real estate holding both here and abroad, as well as a thick portfolio of securities, according to records found during the investigation of his empire.

Marquez's success in the numbers racket is proof that you do not have to be in the Mafia to do well in organized crime. He was born to Puerto Rican parents in New York 40 years ago. Members of his family established close ties to Mafia leaders, however, which have helped him through the years.

According to Government sources, his father was a numbers operator for the late Mafia boss Vito Genovese, his brother Lionel was convicted on a narcotics charge in the same case that finally sent Genovese to prison, and Raymond himself showed such talent that Anthony (Fat Tony) Salerno, the big boss of the Mafia rackets in Harlem, gave him his own bank at an early age.

Salerno's Operation

Marquez reportedly still pays 5 per cent of his profits to Salerno, partly in gratitude and

partly because anybody who operates in Harlem has to pay Fat Tony something.

Salerno, who now lives in Florida but frequently commutes to New York, is absentee-boss of a \$50-million a year numbers racket—the biggest in Harlem. His numbers empire reportedly is divided among three lieutenants, Louis (The Gimp) Avitabile, Salvatore Apuzzo and Louis Vigilante.

The operation of Big Sam Cavaleri in East Harlem, whose pet shop was left undamaged in the riot last June, is one of several that belong to members of the Thomas Luchese family. But the Luchese empire in Harlem is overshadowed by that of Salerno, a key figure in the Genovese family.

Law enforcement officials who say Salerno is at the top of the rackets in Harlem also



Associated Press

Anthony (Fat Boy) Salerno, reputed to be head of a \$50-million-a-year numbers racket—biggest in Harlem.

identify several other underworld figures commanding lucrative empires in the city's ghettos.

In the South Bronx, the major figures in the numbers racket are the Schlitten brothers, Samuel and Moishe, better known as Sam and Moe, whose banks do an annual betting volume of more than \$30-million.

The Schlittens operate in association with several members of the Genovese and Luchese Mafia families who get a percentage of the profit. The Mafia partners, law enforcement officials say, keep a close watch on Sam Schlitten for two reasons: He is a chronic gambler who has been known to lose \$50,000 of the operation's money in one night at dice and cards, and he likes to take frequent vacations in Florida, leaving his less competent brother in charge.

The Mafiosi tolerate his excesses, however, because Sam Schlitten has a reputation for running a numbers network better than any man in New York and they need him. His record goes back to 1928, when he served a jail term for robbery. In 1931 he was questioned then released, about the brief kidnapping of Lita Grey, former wife of comedian Charlie Chaplin. Neither he nor Moishe have served time for gambling violations.

The dominant figure in Bedford-Stuyvesant is Paul Vario,

one of the Luchese family, according to Government sources. His empire is believed to be almost equal in volume to the Schlitten brothers. Vario lives in Island Park, L.I.

Napoli in Brooklyn

The biggest operator in Brooklyn, indeed in all New York, is James Napoli, known as Jimmy Nap, whose empire is said to gross around \$70-million a year. His network, centered in the Williamsburg-Greenpoint section, touches the fringes of the slum but focuses on middle-class neighborhoods.

Jimmy Nap is an independent sort who has turned down many invitations to join the Mafia from friends in the organization. His rackets include sports gambling as well as the numbers. He lives in a \$150,000 townhouse at 216 East 31st Street.

In the past, blacks never rose higher in the numbers hierarchy than controller because of race prejudice among white gangsters and because slum residents feared that their fellow blacks could not pay off heavy winnings without the resources of established banks.

But now, law enforcement officials say, some blacks are gaining a toehold in the slums. Thomas Greene, whose network is centered near 146th Street and Lenox Avenue, has a substantial bank in operation. A second black bank in Harlem is operated by Fritz Devenish and Clarence Hales, who are known as Fritz and Crappy.

In Bedford-Stuyvesant, at least two substantial black banks are in operation, one headed by Peter Mooney and the second by Edward (Brother) Gibbs. Mooney's operation is connected to Vario's, but Gibbs is more or less on his own.

Getting Out of Drugs

Narcotics, too, has been traditionally the monopoly of established gangsters, particularly the Mafia. But, in recent years, Mafiosi have been turning over the high-risk aspects of the narcotics trade to other groups.

The Mafia used to be the primary importer and distributor of hard drugs, which led to long prison stretches for some leading Mafiosi. Much of this work, therefore, has been turned over to Cubans, South Americans and others so eager for the high profits in drugs that they are willing to take the risk.

This does not mean that the Mafia has given up dealing in narcotics, however. Mafiosi often handle the overseas arrangements and provide the capital for bulk purchases. In return they get a percentage of the profit, which is impressive.

The New York State Joint Legislative Committee on Crime estimates that the gross revenue from the narcotics traffic in the city's three major slum areas "ranges from a minimum of \$122-million annually to \$238-million."

In addition to the rakeoff for underwriting the drug traffic, the Mafia earns millions more as an indirect result of narcotics. The Mafia operates several main networks of "fences"

who buy the goods stolen by addicts to support their habit.

A study by the State Narcotic Addiction Control Commission of 3,000 addicts revealed that the average addict needs about \$30 a day for drugs. To get it, he has to steal an average of \$50,000 worth of property a year. So addicts steal hundreds of millions of

dollars in goods every year. Although they try to sell the goods themselves, the addicts also sell to the fences, who pay 20 per cent of the stolen goods' value. Organized crime networks then sell the goods to clients throughout the country at two to three times what it paid, which is still low enough for retailers to make a nice profit.

Again, it is the slums that suffer most of all. About 75 per cent of the heroin addicts in the city are black or Puerto Rican, and they prey first on the homes and stores in their own neighborhoods, the Hughes committee says.

Loan-sharking is a third way in which organized crime squeezes money out of the slums, and, by charging interest rates as high as 20 per cent a week, it does very well.

Loan-sharks like to catch slum residents at their jobs, make them small loans, and

then start the squeezing process.

For example, Franklin Roberts (not his real name), a Harlem resident who works in the garment district, borrowed \$10 early last year at the usual 20 per cent interest from a loan-shark in his shop.

Mr. Roberts promised to repay the loan the next pay day, according to the story he told government officials. When the day came, he was still hard up for cash and was relieved to see that the loan-shark was not around. But three days later the loan-shark appeared and asked for his money.

"You should have caught me payday," Mr. Roberts recalled telling the loan-shark. "I'm really low now."

"All right," said the loan-shark, "give me a couple of bucks now, and I'll let you go another week." When the week was up, the same routine took place, and for many weeks afterward Mr. Roberts found it much easier to pay the loan-shark \$2 than the \$10 he owed. By the time he finally repaid the \$10 principal, he had given the loan-shark \$84 in interest.

It was a typical transaction, which also reveals that the loan-shark, contrary to popular impression, does not rush to break arms and legs if payments are a little late. Loan-sharks are as much con men as muscle men and prefer to milk slum residents as long as they can. Only when the interest payments stop will they turn to more forceful methods.

Loan-sharks haunt shops, docks, construction sites and offices, as well as the slums. Most numbers operators, for example, use loan-sharking as a way of investing their profits from gambling. Salerno, Vario and the Schlitten brothers are

3
②
NEW YORK TIMES

SEP 27 1970

believed to be heavily in the racket, according to law enforcement officials.

Slum residents are at the mercy of loan-sharks because many blacks and Puerto Ricans cannot borrow money from legitimate sources. Loan-sharks have no fear that these customers will betray them because betrayal would mean cutting off the only source for loans until payday or the arrival of the next welfare check.

And when the check does come, much of it is already owed to the loan-shark, trapping the borrowers in perpetual debt.

"If it was not for the existence of organized crime, many of the social conditions that exist in our community would be unable to exist," Assemblyman Charles B. Rangel of Harlem told a state investigating committee last year.

The Rev. Dr. Martin Luther King put it more strongly. "Organized crime," he said, "is the nightmare of the slum family."

MEMORANDUM

CLASSIFICATION
SECRET



TO
A

N.S. Fontanne
Chief Intelligence Officer
Ottawa

RECEIVED YOUR FILE No.
OCT 5 1970 Votre dossier
I. UNIT OUR FILE No.
OTTAWA Notre dossier

IH255-C-1
DATE Sept. 25/70

FROM
De

J.R. Ferris
A/Officer-In-Charge, Intelligence Unit
Toronto

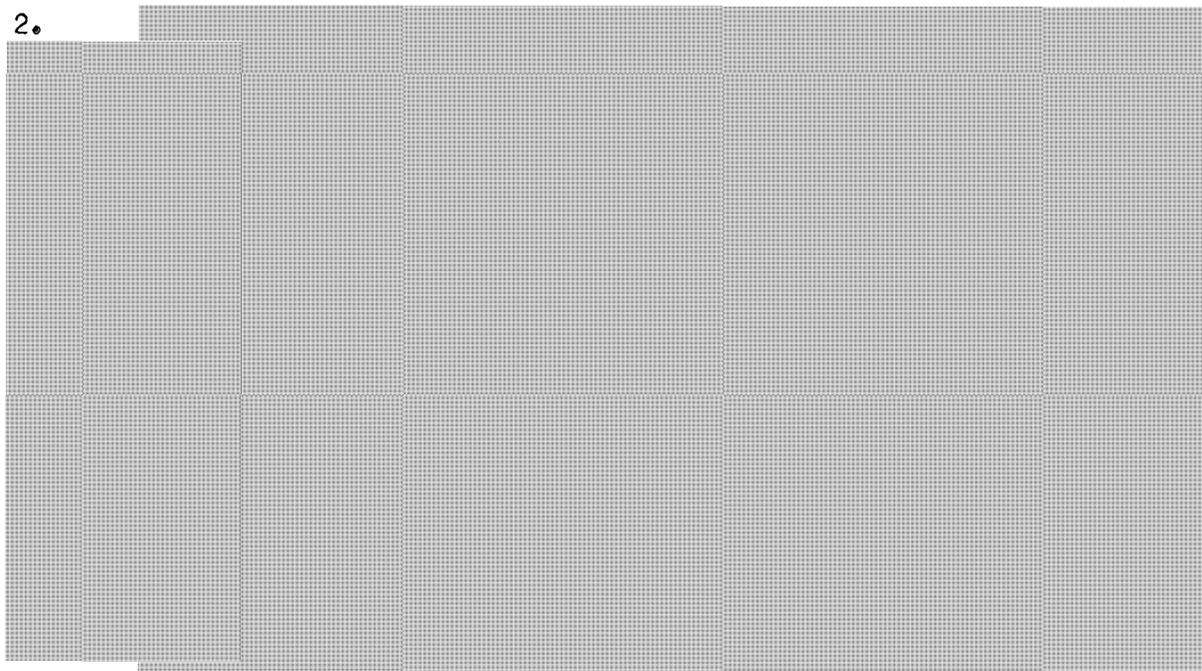
FOLD

SUBJECT
Sujet

CRIMINAL ORGANIZATIONS - General -
Central Region

s.19(1)

1. For your information, the following was obtained from a confidential informant. This matter will be for record purposes should something develop at a future date. This information was turned over to the N.C.I.U. of the R.C.M.P. - O. Division, Toronto.

2. 

3. This information is for your record purposes.

J.R. Ferris *J.R. Ferris*
Field Intelligence Officer

[Handwritten signature]

000389

"ALLO POLICE " January 15, 1967

LAST YEAR'S LEGAL HISTORY IN THE PROVINCE OF QUEBEC WAS CONSPICUOUS FOR THE MOST VICIOUS CRIMES.

In courts of law, at Montreal as well as in the Province, the years succeed each other, and, let's admit it, resemble each other strangely.

Thus, in 1966, the list of the more outstanding court-cases contained ~~the~~ / which crop up names of defendants/~~xxxxxxxxxxxx~~ regularly, practically year after year: Cotroni, Poirier, Rocky Pearson, Georges Lemay.

If, on the one hand, the murders committed in 1966 were predominantly family dramas, the cases which came up in Court dealt mainly with crime syndicates and theft rings. The police chalked up decisive victories by arresting several members of the light-fingered gentry, but these cases often failed to stand up in Court, or at any rate the sentences were substantially reduced in relation to the charges which had been laid or were about to be laid. The Darabaner case was a typical example.

"In principle", the outstanding event of the year in our legal annals should be the decision of the House of Commons of Canada to maintain the death penalty. This decision, although it had been taken in the most democratic manner possible, by a majority of the members of Parliament elected directly by the people, has remained a dead letter.

We should remember that this year again, there has been no hanging in the Province of Quebec; in fact, the last one took place six years ago, on March 11th 1960, when Ernest Côté mounted the scaffold for the murder of Bank Manager A.W.Héron, in Témiscamingue, on May 15th 1959.

Yet, although charges of premeditated murder are with increasing frequency reduced to charges of culpable homicide and even manslaughter, our judges still don the black three-cornered hat and gloves, to pronounce the death penalty, with the utmost seriousness and solemnity... In most of these cases, from Poirier all the way to Marcel Bernier, everybody, counsel, police and

Jmy

the public, are all deeply moved - with the exception of the condemned man himself.

" BILL WABO "

This year again, a morality case exploded in Court, when innocent ~~xxxxxx~~ people ~~xxxx~~ ^{had been} made the victims of a vice-ridden and unscrupulous individual.

N.R. The well-known comedian, Guy Provencher (Bill Wabo) was accused ~~xxxxxx~~ ^{/ of} ~~xxxxxxxxxxxx~~ a series of crimes in connection with a veritable network of vice he had organized, involving adolescents.

Provencher is said to have made use of about thirty adolescents to gratify his perverse instincts and to commercialize, on a large scale, the sexual orgies he organized.

s.19(1)

Not satisfied with having had sexual relations with these young people, he is said to have photographed them in the most indecent acts, to put this pornography on the international market and make a very lucrative business out of it.

Having ~~admitted~~ ^{/pleaded guilty} on three counts, Provencher is still awaiting sentence; but further charges, all involving indecent assault, abduction of minors and pornography, are going to be brought against him.

" KEITH " ROCKY " PEARSON *N.R.*

A henceforth notorious name, that of "Rocky" Pearson, appears in our court records year after year, and made headlines again in 1966.

Pearson and his gang were known in connection with theft, fraud, organization of gambling, lotteries and rigging ^{/of} elections, but another of their activities, of which nothing had been known until then, came to light this year: namely, arson. In the course of this case, in which members of the Pearson gang were charged with arson and fraud, the name of Moise

 → Darabaner came up, as though " by chance " .

Already during the Pearson era, in the sixties, the Darabaner gang had taken shape, and its ramifications were already linked with the activities of the Montreal ~~theft ring/~~ ~~robbery/theft~~ theft ring.

Two members of the former gang of Pearson, who was murdered in 1961, namely Armand Larose and Georges Aird, were charged with having taken part in a fraud which had yielded 1½ million dollars. The two men were said to have been involved in setting fire to the Gelco furniture factory at Farnham, in December 1960. The owners of this factory, businessmen Oscar Gelfand and Harry Post, cashed the handsome sum of 1½ million dollars from the companies with which the premises had been insured. The Pearson men, for their part, were said to have received \$5,000. for having organized the conflagration.

THE CASE OF THE CENTURY

Moise Darabaner, the brain behind this ~~robbery/theft~~ ^{web} of arson and fraudulent bankruptcies, without precedent in our annals, was this year sentenced to 74 years' imprisonment, after having confessed to a multitude of charges. However, Darabaner is going to serve these 74 years concurrently, so that he will be behind bars for only nine years.

It is possible that further charges may still be brought against Darabaner, but this vast ring of criminals has not, so far, been punished in Court in proportion to ~~the~~ the extent of their ramifications.

Several court cases took place, another ten or so individuals were sentenced, but only two murderers were convicted. Although seven murders were known to have been committed by the gang, only Jean-Jacques Gagnon and André Lamothe were found guilty, on the reduced charge of culpable homicide.

~~The fraudsters, gunmen, and assassins who literally terrorized and ruined tens of innocents, suddenly assumed a different image at the end of 1966.~~
The members of this network - defrauders, gunmen, and assassins who literally terrorized and ruined tens of innocents, suddenly assumed a different image at the end of 1966.

Having until then been the accused, and notorious murderers, they suddenly transformed themselves into victims of policemen who had at last managed to subdue them and ~~bring them to trial.~~ ~~have them arraigned in court.~~

While this whole case changed its aspect, to the point where all the accused turned crown witness, most of the charges already brought against them, or about to be laid, still remain in abeyance.

THE PSYCHO-ANALYST

One of the most ^{sensational} ~~resounding~~ cases of the past year was brought to final conclusion in 1966, with the conviction of the Montreal psycho-analyst André Larivière.

NR

This psycho-analyst, who had made a name for himself by publishing a number of books on that subject, had set up a veritable vice ring, the victims of which were young girls who had consulted him in all innocence.

The circumstances surrounding all the crimes this man committed will never be known, because of the scurrilous nature of this case; but the bare description of the counts on which Larivière was found guilty is already sufficiently eloquent:

- conspiracy to procure abortion, having procured an abortion, procuring and fraud. Judge Omer Côté sentenced Larivière to 20 years in penitentiary. ~~This sentence, however, was imposed for only some of~~ This sentence, however, was imposed for only some of the roughly 40 charges, most of them of indecent assault, which had initially been brought against the pseudo-psycho-analyst.

THE BROTHERS POIRIER

No annual review of what happened in the courts would be complete without making mention of the one year of the Poirier family, the former kinglets of Maine.

- 5 -

This year (it was referred to as last year) two of the Poiriers^{NR},
^{NR}Jacques and Roland, were sentenced to the gallows. It appears that this
time, the sentence cannot be appealed, and this second sentence would
have been carried out, if the death penalty had not been practically
abolished.

However, one can never be sure of anything, for it is possible that
the case may come up in court for the third time, because of a flaw in
the proceedings. At the time sentence was passed, the jurors withdrew
from the court-room . Yet the crown evidence remains as strong as during
the first two trials.

Despite the fact that the vicious murder of the former dancer Margot
Turner, in a tavern, on August 23rd 1964, was witnessed by some twenty
people, the Poiriers were convicted on the evidence of Ronald Fishman,
the partner of the victim, who had, himself, also been beaten up by the
two thugs, and left for dead.

However, another member of the Poirier^{NR} family, Maurice, was acquitted
of the murder of Aimé "Rocky" Brunette, the former porter of the Castor
Inn at Vimont, who was slain at the door of that establishment, on
September 17th 1964.

s.19(1)

VINCENZO COTRONI 

The name of one of the members of the ~~infamous~~ notorious Cotroni family
was, at last, this year recorded on the list of defendants of the Montreal
Lawcourt. This was Vincenzo, who had, until then, been untouchable, and
who is awaiting trial on charges of having attempted to bribe ~~xx~~ an
R.C.M.P. detective.

"Vic" Cotroni is said to have offered first \$25,000. and then \$50,000.
to detective sergeant Gérard Barbeau of the R.C.M.P., when he came to arrest
^{NR} Vincent Asaro, who had been hiding out at Cotroni's girl friend's place
in Repentigny.

Asaro, ~~was~~ a former strong-arm man of Al Capone's who had been sought by all the police forces, was present in the house of Cotroni's girlfriend on June 21st, when the detectives came to arrest him.

s.19(1)

"Vic" , who was anxious to arrange everything so that his sick wife would not find out that he had a mistress (that was his story) , was said to have offered the detective \$50,000. for not arresting Asaro in this house. Cotroni was even supposed to have offered to let Asaro be taken in some other place.

Having voluntarily submitted to investigation, "Vic" Cotroni quickly furnished the \$50,000 required for being free on provisional bail, and is now awaiting trial, which will soon take place at Montreal or at Joliette , the question of venue not having been settled yet.

"Vic" has, therefore, now joined the ranks of his two brothers, "Pep" who is still in prison, and "Frank", who also had a taste of detention.

THEFT RING VERSUS EXPO

Expo appears to interest the gentlemen of the international thieving community every bit as much, if not more, than our businessmen.

So it came about that the Montreal police were able to catch some of the most notorious members of the Mafia when they came to see how the land lay, and to carry out reconnaissance on the Expo site and surroundings.

In August, two leaders of the Mafia, Anthony (Tony Jack) Giacalone, and Dominic (Fats) Corrado, of the State of Michigan, were arrested in Montreal by R.C.M.P. detectives when they were in the process of laying the foundations, in the Province of Quebec, for a system of protection like the one which terrorises thousands of longshoremen in American ports. They were immediately handed over to FBI detectives, who took them back to their country with all speed.

in December, seven members of the American Mafia, just as notorious, were deported after having been arraigned in court on minor charges of carrying weapons.

They were ¹¹⁴⁶⁰⁰⁻²³⁷ Salvatore (Bill) Bonano, son of Joe Bonano; ¹¹⁴⁶⁰⁰⁻²⁴⁷ Carl Simari, Bonano's bodyguard; Peter Joseph Maggadino, cousin of Steve Maggadino Vito de Filippo and his son Pat; Peter Notaro and the Montrealer Louis Gréco; The latter was immediately released, since the police could bring no charges against him.

s.19(1)

The Montreal Police are proud of these arrests, and also of a raid carried out on November 12th at Notre-Dame-de-Grâce, where all the heads of the local theft ring were getting ready for Expo, but they remain convinced that the theft ring had already organized crime in connection with Expo on an international basis.

FATHER TREMBLAY

The theft of the postal truck stirred up a series of incidents, and gave rise to other events which made headlines in the press for weeks. Certainly the most ^{reverberating/} ~~intriguing~~ was the intervention of a priest who was called as a ^{witness for the defence} ~~defence witness during the~~ trial.

^{NR} Father Yves Tremblay came to provide a cast-iron alibi for one of the ^{NR} accused, Maurice Arbic. He stated that Arbic had been at his office, accompanied by Carmen Morin, ^{% of more than \$1 million} ~~the owner~~ at the time the theft/was committed. During cross-examination, the priest had to admit that he had been suspended ~~of his duties~~ as parish priest of the parish of Notre-Dame, Jacques Cartier, and of the parish of Saint-Constant. It was also shown that he had been in almost regular contact with the ^{NR} Provençals, a family with a reputation for being habitual criminals.

The day after he gave evidence, the priest was arrested and locked up in the cells, after having been caught at the wheel of a stolen car, with papers in the side-pocket which had likewise been stolen. Subsequently, a

police/
search of the priest's abode at Saint-Lambert turned up 1,400 lottery tickets.

Less than two months after this affair, a former monk, Donat Julien,^{NR} was arraigned in court on/~~with~~ charges of attempted murder. He was said to have tried to kill an oblate father, Elphège Richard, in 1960, at the retreat of this religious community on Ontario Street in Montreal. The former monk has not yet been pronounced fit to stand trial.

Lastly, a few weeks later, Paul Vachon,^{NR} formerly a parish priest, was up for preliminary investigation because he had supposedly committed two large hold-ups in religious communities where he had been posing as a priest...

THE POSTAL TRUCK

Certainly the most protracted and the most difficult investigation, according to detective Roland Perron, Assistant Director of the Montreal Police, was the one of the theft of a postal truck on March 31, 1964, which netted the perpetrators some \$1,400,000.

This year, at last, after a court-case involving several series of hearings over a period of several months, the culprits who brought off this master-stroke were all convicted. They were: Maurice^{NR} Arbic, Benoit^{NR} Doucet, Gaston^{NR} Lavoie, Gilles^{NR} Lebrun, Wilfrid^{NR} Leclerc, René^{NR} Leduc and Henri^{NR} Samson. All these notorious habitual criminals, members of the theft ring, were finally put away.

To this list of defendants must be added one of the brains of the gang, André^{NR} Paquette, who was murdered by André^{NR} Durocher, the partner in Lucien Rivard's escape. Following the example of another accomplice, Conrad Brunelle, Durocher later on committed suicide.

Then there was Pierre^{NR} Talon, who was sentenced to only one day's imprisonment, after having admitted guilt. However, Talon had informed against the gang, and was the one who gave evidence for the crown ~~and~~

to the end, although counsel for the defence consistently and fiercely turned on him, in an effort to show that ~~he~~ this individual was the lowest of the low, whose evidence ~~was not to be trusted~~ was worthless.

On the strength of Talon's evidence, which was corroborated by items of circumstantial evidence such as ^{the} sums the ~~the~~/thieves had spent, or deposited in banks, the Metropolitan Police chalked up one of their finest victories over the Montreal theft ring.

DENISE THERRIEN

On February 24, ^{MA} Marcel Bernier, the former grave-digger from Shawinigan-South, was sentenced to death, and the twelve-man jury refused to recommend clemency. This was the end of an affair which had started on August 7th 1961, when an unknown person lured Denise Therrien into a trap which ~~substantiated her death~~ ended her life.

During the two weeks trial in ^{Shawinigan} ~~Shawinigan~~, before Mr. Justice Paul Lesage, it was proven that Bernier had set a trap for his young victim by inserting an advertisement in the newspaper, asking for a young girl as domestic help. The adolescent, anxious to make a little money during the summer holidays, was interested in this offer, and met the man, who identified himself as Claude Marchand, in the cemetery of Shawinigan-South. This man, the ex-grave-digger Marcel Bernier, was supposed to have taken advantage of the girl, and then, thinking that he had been observed by a witness, savagely battered her to death and subsequently buried her in a thicket, a few miles from the cemetery.

Only four years later were the police at last able to arrest Bernier and lay charges against him, although he had been interrogated several times before.

The police knew full well that they ~~had~~ had the true murderer, allright, but found it ~~very~~ difficult to bring sufficient evidence. Last year, thanks to the ^{/stratagem} ~~stratagem~~ of a policeman from Rimouski sharing the cell with Bernier in the disguise of a fellow prisoner, and getting him to talk, the latter at last agreed to admit his crime ~~in public~~ openly. He even went along with the policemen, to show them the exact spot where he had buried his victim and her clothing, which was to constitute irrefutable corroborative evidence.

WHITE AND BLACK

It can happen that court judgments whitewash or incriminate people arbitrarily, though they may be neither the mighty nor the wretched, to quote the words of Father Lafontaine. Thus for the same crime, after several trials at which the same witnesses appeared, Douglas Brown ^{NR} was sentenced to death, whilst Réal Leclair ^{NR} went scot-free.

The two young men had been sentenced previously, Brown to penal servitude for life, and Leclair to the gallows, for the murder of ~~the~~ garage owner Ovide Bertrand, committed at Lachine on September 19, 1962.

At his ~~second trial, supplied for by the Court of Appeals~~ new trial, ordered by the Court of Appeals, Leclair was cleared by young Pierre Ouimet and his sister Pierrette, who ~~denied~~, after first having affirmed it, ^{/denied} that they had seen the two accused kill the garage owner during a hold-up.

At Brown's trial, young Ouimet ~~again~~ took the stand in the witness box again, but this time again to affirm that ~~the~~ he had definitely seen the two men commit the murder.

At this new trial, two surprise witnesses were heard, namely two ~~prisoners~~ prisoners whom Brown had taken into his confidence during his detention, when he was supposed to have told them about the murder in every detail.

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There can be no question of bringing Leclair back into court on charges of murder, despite the verdict at Brown's trial; but he could be accused of theft with violence, which could carry a life sentence.

So it is that for one and the same murder, Brown would be serving a life sentence, even though he was sentenced to death, whereas Leclair, who was first sentenced to death and subsequently acquitted, would be serving the same sentence for having committed the theft ...

GEORGES LEMAY [REDACTED]

No review of the events of 1966 would be complete without making mention of the famous Georges Lemay, even though he has thus far been up only for preliminary investigation in connection with the robbery of the Bank of Nova Scotia, ~~in Montreal~~ committed in Montreal on July 1st 1961.

Captured at Las Vegas, Lemay was, once again this year, able to ~~escape~~ give American justice the slip, though this time without bribing the gaolers or forcing the door of his cell. Lemay's arrival in Canada was, to say the least, unexpected. In the United States, Lemay was liable to 19 years' imprisonment, for having escaped, and having bribed police officers. In Canada, on the other hand, ^{/regardless of} whether the amount stolen from the Bank of Nova Scotia was \$500,000 or \$4 million, he could only be liable for 14 years, and he would thus ~~evade~~ evade the charges which the American police could no longer bring against him.

At a preliminary investigation at which the informer against Lemay's gang, ^{LR} Jacques Lajoie, who was instrumental in the conviction of all of Lemay's supposed accomplices, was the main witness, the defence persisted for two weeks in discrediting him, to show him up as an untrustworthy witness.

However, Lemay was soon called to make a statement, but his lawyers have not yet had their final say, although they will have, and already had, all the time needed to ^{/build up} ~~make~~ a strong case for the defence. Perhaps Georges Lemay will be sentenced to 14 years' imprisonment, but one

- 12 -

would have to be familiar with all the ins and outs of the policy and administration of justice in the State of Florida to find out why Lemay was not charged in Montreal after having stood trial and perhaps served his sentence in the United States .

... * ...

TRANSLATION:R.H.

28 - 7 - 1967

c.c. Officer in Charge, Intelligence Unit, MONTREAL.
RCMP letter, photographs and negatives attached
for your information.

Officers in Charge, Intelligence Units
TORONTO - WINDSOR - VANCOUVER

IH255-1

Sept. 15, 1970.

Chief Intelligence Officer,
Home Services Branch, Ottawa.

Criminal Organizations - General

- 1. Attached are single copies of:
 - 1) Montreal report dated 15/6/70.
 - 2) RCMP letter dated 1/9/70.
 - 3) Photographs of the 11 who attended the Acapulco meeting.

encs.

W.B.
15/9

**Pages 403 to / à 413
are withheld pursuant to section
sont retenues en vertu de l'article**

19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

ALL CORRESPONDENCE TO
BE ADDRESSED:

THE COMMISSIONER
ROYAL CANADIAN MOUNTED POLICE
OTTAWA 7, CANADA



TOUTE CORRESPONDANCE DOIT
ÊTRE ADRESSÉE COMME SUIT:

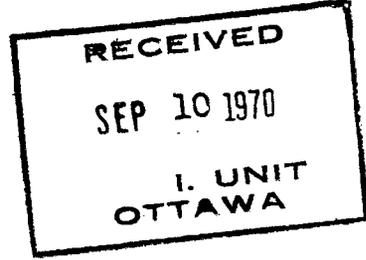
LE COMMISSAIRE
GENDARMERIE ROYALE DU CANADA
OTTAWA 7, CANADA

HEADQUARTERS - DIRECTION GÉNÉRALE

OTTAWA 7, CANADA

YOUR NO. _____
VOTRE N° _____

OUR NO. _____
NOTRE N° _____



8 Sept. 1970.

Dear Steve:

Enclosed is the extra photo (#11) which was the
subject of our telephonic conversation this morning.

This will complete the set.

Regards

Eric Moody.

RUMP
SPR

Photos of Meyer Lansky
not received.

NCIO. are forwarding it
today

8/9/70

WJF

000415

ALL CORRESPONDENCE TO
BE ADDRESSED:
THE COMMISSIONER
ROYAL CANADIAN MOUNTED POLICE
OTTAWA 7, CANADA



TOUTE CORRESPONDANCE DOIT
ÊTRE ADRESSÉE COMME SUIT:
LE COMMISSAIRE
GENDARMERIE ROYALE DU CANADA
OTTAWA 7, CANADA

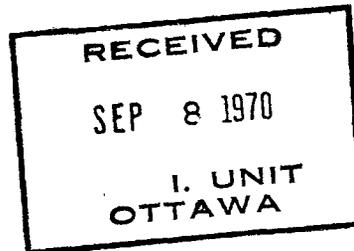
HEADQUARTERS - DIRECTION GÉNÉRALE

YOUR NO. IH 255-1
VOTRE N°

OTTAWA 7, CANADA

OUR NO. HQ-305-Q-1-702
NOTRE N°

September 1, 1970.



s.19(1)

Mr. N.S. Fontanne,
Chief Intelligence Unit,
Enforcement Section,
Home Branch,
Canada Immigration Division,
Department of Manpower and Immigration,
OTTAWA 2, Ontario.

Dear Sir:

Re: Vincent COTRONI
NCIU #702 (Mtl)

This letter is in reply to your memorandum of August 19, 1970, in which you enclosed eleven negatives of subjects who attended a meeting in Acapulco, Mexico during February and March of this year. In keeping with your request, the negatives have been developed and attached hereto are five photographs of each subject, together with the negatives in question. For your convenience, our Headquarters National Crime Intelligence Unit have been able to positively identify ten of the eleven subjects.

2. We have taken the liberty of marking one copy of each of the photographs in numerical order from 1 to 11 and the identification of these photographs is as follows:

- (1) [REDACTED]
- (2) [REDACTED] born [REDACTED]
- (3) [REDACTED]
- (4) Paul VIOLI, NCIU #721 (Mtl)

.... 2

- 2 -

- (5) Vincent COTRONI, NCIU #702 (Mtl)
- (6) [REDACTED]
- (7) [REDACTED] born [REDACTED]
- (8) [REDACTED]
- (9) [REDACTED]
- (10) Moses POLAKOFF of 475 5th Avenue, New York City, New York (Meyer LANSKY's lawyer)

The subject of photograph No. 11 is believed to be Meyer LANSKY of Miami, Florida, however, this identification cannot be confirmed at this time.

3. I trust that our assistance in this matter meets with your satisfaction and our future co-operation in matters of mutual interest is assured.

Yours truly,

s.19(1)


R.E. Muir, S/Insp.,
Assistant Officer in Charge,
Criminal Investigation Branch.

Encls.

~~c.c. Officer in Charge, Intelligence Unit, MONTREAL.~~
~~This has reference to your report of 15/6/70.~~

CONFIDENTIAL

IH255-1

The Commissioner,
Royal Canadian Mounted Police
Headquarters,
Ottawa 7, Ontario.

OTTAWA 2, August 19, 1970.

Attention: Immigration and Passport Section

RE: Criminal Organizations - General

Attached are eleven (11) negatives of some of the criminal element who attended the meetings in Acapulco, Mexico from February 25 to March 3, 1970. We would appreciate receiving five (5) photographs of each negative. These will be identified by our Montreal Intelligence Unit. Please return the negatives with the photographs.

N. S. Fontanne,
Chief, Intelligence Section,
Home Services Branch,
Canada Immigration Division.

Encs.

s.19(1)

MEMORANDUM

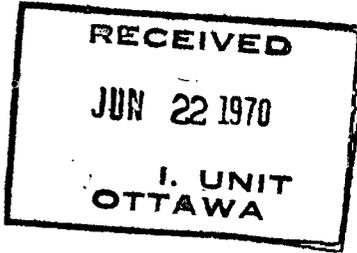
CLASSIFICATION



TO
A

Chief, Intelligence Officer,
Ottawa.

YOUR FILE No.
Votre dossier



OUR FILE No. IH255-E-1
Notre dossier

FROM
De

Officer in Charge,
Intelligence Unit, Montreal.

DATE

June 15, 1970.

FOLD

SUBJECT
Sujet

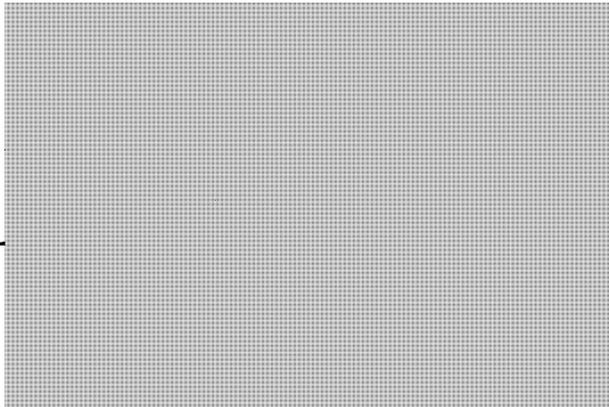
Criminal Organizations - General

1. Attached hereto for your information are copies of reports submitted by the Ontario Police Commission dated February 24, March 3 and 9, 1970 and reports submitted by the U.S. Treasury Department (Bureau of Customs) and the Montreal Police Department, regarding the meetings that took place in Acapulco, Mexico, which were attended by members of the organized criminal element in Montreal, Toronto, Hamilton and United States.

2. As indicated therein the following persons are known to have been present in Acapulco and negatives of some of the photographs which were taken are being forwarded for processing. These photographs should be returned, after they have been made up and the proper identification of the individuals thereon will be made and then returned to you.

3. In Acapulco were:

- C. [redacted]
- COTRONI, Vincent (IH600-279)
- " Frank (IH600-280)
- C. LANSKI, Myers
- C. [redacted]
- C. [redacted]
- C. VIOLI, Paul (IH600-267)
- C. [redacted]



4. As will be noted from the comments, the purpose of their visit to Mexico has not been definitely established, although it is suspected that it may have something to do with setting up gambling in Acapulco or possibly in Canada or in the Province of Quebec in view of the recent new legislation regarding this subject in Canada.

Carded and Copy placed on [redacted]

JFK 20/8/70. C. [redacted]

*M.B.F. has seen 7 found in his basket
11/20 1/21/81/70*

*For Carding of photographs and copies
JFK 19-8-70 2*

s.19(1)

- 2 -

5. Of those mentioned above, many are known as being involved in gambling, narcotics and also owners of legalized businesses and some such as Frank COTRONI, was accompanied by a bodyguard. In my recent report submitted on file [REDACTED] it was ascertained that [REDACTED] using a passport issued to [REDACTED] had gone to Mexico around the same time as the meetings took place. This information regarding [REDACTED] has been passed on to U.S. Treasury and a further verification is being made by them of all Airlines manifest lists to confirm whether or not they may have been with these individuals.

6. Once copies of the attached documents are being made, it is requested that they be returned here for our record purpose.


(W. Kelly)

**Pages 421 to / à 425
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(c), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

**Pages 426 to / à 434
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sont retenues en vertu des articles**

13(1)(c), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

Page 435

**is withheld pursuant to sections
est retenue en vertu des articles**

13(1)(a), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

To: C1 (D)

*11.40 AM
7/2*

RCMP MTL

14-15 ROUTINE/ROUTINE TOR MAR2 UNCLAS

COMMR OTT

INFO C DIV MTL

CIB334 REUR NCIU162/30. THE FLLWG PERSONS WERE ARRESTED BY MEXICAN
AUTHORITIES AT ACAPULCO MEXICO ON 28 FEB 70. THEY WERE QUESTIONED
AND THEN RELEASED. V. COTRONI (00702), ^{DO: 70-9-411} [REDACTED], MEYER
LANSKY (NFI) FLA., [REDACTED]

[REDACTED] P. VIOLI (00721), [REDACTED]

[REDACTED] WAS USING NAME FRANK VIOLI, [REDACTED]

~~(PHONETIC, NFI, BELIEVED FROM NEW JERSEY)~~

O DIV

s.19(1)

RCMP MTL

Page 437

**is withheld pursuant to sections
est retenue en vertu des articles**

13(1)(a), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

**Pages 438 to / à 441
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(a), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

**Pages 442 to / à 445
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(a), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

**Pages 446 to / à 453
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(c), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

**Pages 454 to / à 458
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(d), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

ORIGINATOR: RETAIN PINK COPY FOR FOLLOW-UP, FORWARD
BALANCE OF SET INTACT TO ADDRESSEE.

À L'EXPÉDITEUR: GARDEZ LA COPIE ROSE ET ENVOYEZ TOUT LE
RESTE AU DESTINATAIRE.

DEPARTMENT OF MANPOWER AND IMMIGRATION

INTER-OFFICE MEMOGRAM

ADDRESSEE: AFTER REPLYING, SEND ORIGINAL TO ORIGINATOR. Do not divulgue en vertu de la Loi sur l'accès à l'information

AU DESTINATAIRE: APRÈS, AVOIR RÉDIGÉ VOTRE RÉPONSE, SÉPAREZ LES
COPIES. RENVOYEZ LA JAUNE À L'EXPÉDITEUR.

MINISTÈRE DE LA MAIN-D'OEUVRE ET DE L'IMMIGRATION

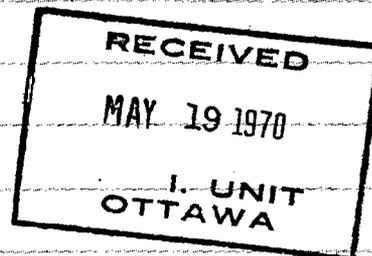
MESSAGE INTERBUREAUX

TO/À N. S. FONTANNE CHIEF INTELLIGENCE OFFICER OTTAWA, Ontario	FROM/DE VANCOUVER INTELLIGENCE VANCOUVER, B. C.	FILE NO. - ORIGINATOR RÉF. - EXPÉDITEUR FILE NO. - ADDRESSEE RÉF. - DESTINATAIRE
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SUBJECT
SUJET

MESSAGE

PLEASE HOLD FOR MR. FONTANNE 's RETURN. THANK YOU.



DATE: *May 13/70*

SIGNATURE: *EW*

REPLY / RÉPONSE

DATE:

SIGNATURE:

Page 460

**is withheld pursuant to section
est retenue en vertu de l'article**

13(1)(c)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

I H 255-1.

MONTRÉAL GAZETTE

APR 16 1970

Tavern-keeper found guilty in murder

Vincenzo (Jimmy) DiMaulo, a 32-year-old tavern-keeper, was found guilty of murder by an Assizes jury late yesterday afternoon in the unexplained slaying of a man on a city street last May 4.

Mr. Justice Paul Panneton imposed the automatic life sentence immediately. The jurymen had deliberated one hour before bringing in their verdict which Defence Counsel Raymond Daoust, QC, said he would appeal.

The trial, which lasted close to a month, was featured by the unusual turn of events last week when Mr. Daoust and his defence colleague Sidney Leithman announced they could no longer represent two co-accused who were on trial with DiMaulo.

It was their submission that the step was necessary because a conflict of interest

between the three accused had arisen.

Justice Trepanier then ordered the other two accused to withdraw from the dock to have separate individual trials at another Assizes term.

Police witnesses, called by Crown Prosecutor Louis G. Robichaud, QC, had testified at the trial that they saw the two other accused firing repeatedly into the prone body of the victim, Robert Allard, 34, as he lay on a St. Michel street.

The pair, moments before, had left the auto of DiMaulo at a street intersection and he was driving away when the eleven shots were fired at the victim.

Two police officers who saw the shooting were members of a nine-man team which had been following DiMaulo's movements for several hours

on a tip that a burglary was planned.

Several of them said they had seen DiMaulo, shortly before the crime crouching down to a front tire of the victim's car near his Jean Talon St. East home with an object in his hand. The tire flattened soon after.

The victim had later driven the damaged car to a service station a block away. He was at the point when the shooting began.

DiMaulo testified, with the protection of the law, that he had been with the other men to carry out a burglary in a tavern, which had been planned for several days. He said he had no idea that they were armed and knew nothing about the cause of the shooting.

The other two accused were Nicolas Leo and Giuseppe (Joe) Armini.

IH255-1

APR 3 1970

MONTREAL GAZETTE

'Unaware' of murder plan

Driver panicked, ran

By LEON LEVINSON

Vincenzo (Jimmy DiMauro, alleged by the Crown to have been the getaway driver in a well-planned slaying by two co-accused, testified yesterday he was aware only of a burglary plan.

The 32-year-old tavern-keeper told the Assizes jury under Mr. Justice Paul Trepanier he had driven his two co-accused to the vicinity of the burglary scene and was preparing to go to a rendezvous to pick them up later when an unidentified man approached his car shooting.

DiMauro said he "got frightened" and sped away from the scene, leaving his two companions behind.

NOT BY CHANCE

Police witnesses earlier this week testified they saw Joe Armini and Nicola Leo, the two co-accused, emptying their guns at close range in the prone body of the victim, Robert Allard, as DiMauro drove away.

The slaying took place on Sunday, May 4 last at a Jean Talon St. intersection in St. Michel just before 9 a.m. Crown evidence has indicated no motive for the shooting.

Witnesses called by Crown Prosecutor Louis Robichaud, QC, have made it clear that the several policemen who were eye-witnesses of the kill-

ing were not on the scene by mere chance.

Many hours of police evidence have been devoted to detailed accounts of the shadowing operation which they had undertaken on the previous day on a tip to keep DiMauro under observation.

But they acknowledged that they did not expect to find that the trail led to an assassination. The officer who organized the nine-man observation team told the jury his information was that DiMauro had some keys for a burglary plan.

Their evidence, however, showed DiMauro was seen several times in the neighborhood of the victim's home on Jean Talon St. shortly before his death.

DiMauro, they said, was also seen bending over the right front tire of Allard's parked car early in the morning of May 4. He was described as making a movement toward the tire with an object in his hand before it lost all of its air.

Allard was killed near a service station a block from his home when he took the car there to have the tire changed.

In the witness-box yesterday, DiMauro, testifying with the protection of the law against his prosecution on the basis of his evidence, insisted that he simply noticed the flat-

tire and did not touch any part of Allard's car.

He said that Armini approached him on April 29 and asked him if he could make him two keys he needed to effect a burglary in a tavern in St. Michel. The burglary site was close to Allard's home.

DiMauro told the jury he agreed to do a favor for his friend Armini who was "very short of money." Armini had learned there was \$5,000 in cash in the tavern basement on 13th Ave. at Jean Talon St.

PRODUCED KEYS

All his suspicious movements in that neighborhood observed by the police witnesses, DiMauro said, had to do with the planning of the burglary. He produced the two keys required and tried them out for Armini.

The burglary was finally planned for the morning of May 4 and DiMauro handed over the two keys to Armini who had been joined by Leo. He drove them to the intersection nearest the tavern target and let them off.

IH255-1

F

MONTREAL GAZETTE

APR 1 1970

Detective testifies:

Two shot man down

By LEON LEVINSON

A city detective told a murder trial jury yesterday he saw two men firing repeatedly into the victim's body at pointblank range as he lay on a St. Michel street.

The eye-witness, Det.-Sgt. Jacques Boisjoli, was testifying at the second week of the trial of Joe Armeni, 30, Nicola Leo, 25, and Jimmy DiMauro, 36. They are charged with murdering Robert Allard, 34, near his home on Jean Talon St. East on May 4 last year.

ACTED ON TIP

Sgt. Boisjoli was a member of a team of nine city police officers who had been assigned to trail DiMauro for many hours before the shooting, on a "tip" which did not involve the two other accused.

He identified the two men whom he saw discharging their firearms at the victim's body as Armeni and Leo. They had been driven to the scene in DiMauro's car and let

out while he drove slowly away with a front door open.

The witness said that shortly before 9 a.m. his shadowing of DiMauro brought him in his car to the intersection of Jean Talon and 12th Ave.

He said he saw Armeni and Leo leave the big car to go towards a filling station at the intersection. Both were carrying "black objects" in their right hands and were wearing gloves.

Soon after, the detective heard a shot, followed by two more. He began to drive towards the origin of the detonations and just before he heard a fourth shot he saw the victim running towards him, screaming, with both hands in the air.

FIRED AGAIN

Armeni and Leo came after Allard, who had collapsed on the edge of the sidewalk. He saw Armeni fire three shots into the victim's head, while Leo added a few shots from his revolver. Armeni fired another two shots before leaving.

Both men ran northward towards the car driven by DiMauro. The witness said he drew his service revolver and got out of his car, shouting "Montreal police. Stop. Hands in the air."

DO OR DIE

The pair continued running and the detective joined by a constable who was also part of the nine-man team which had been trailing DiMauro since the previous night.

At one point, said the witness, Armeni turned round and pointed his revolver at him. He was again ordered to put up his hands with the warning: "You do or you die."

Armeni then let his firearm slide down his side to the roadway. With the assistance of Cst. Michel Brousseau, the detective put handcuffs on the prisoner.

Leo was arrested shortly after at a filling-station a few blocks away. The story of DiMauro's arrest has not yet reached the jury under Mr. Justice Paul Trepanier.

*Carded
JK 3/4/70
[Signature]*

IH2557

TORONTO TELEGRAM MAR 21 1970

QUOTAS: It would be great if the government allowed grand juries to investigate matters of public concern . . .

Organized crime is on the move in Ontario, and a strong grand jury system might . . . keep it under control.

The grand jury that won't pack up and go home

By WADE ROWLAND
Telegram Staff Reporter

A week ago Friday a York County Grand Jury made legal history by becoming the first Grand Jury in 20 years to refuse to disband at the end of its traditional two-week tour of duty.

In so doing, the jury raised the possibility of Ontario's becoming the only province, and perhaps the only jurisdiction in the Commonwealth, to have a U.S.-style grand jury capable of wide-ranging investigation into such topics as organized crime and political and judicial corruption.

In what it called an "interim report" the jury gave as its reason for refusing to dissolve the fact that recommendations of previous grand juries appear to have been ignored by government.

The report harshly criticized conditions of work in the Crown Attorney's office, made several recommendations, and demanded a meeting with Attorney General Arthur Wishart next October.

At that time, it said, it would find out if anything had been done to improve conditions, and file a final report. Mr. Wishart has since agreed to the meeting.

But the concern over poor working conditions in the Crown Attorney's office appears now to be only a surface indication of the underlying purpose of the renegade grand jury.

Acting jury foreman Bruce Buckingham, a chartered accountant, said in an interview that jury members would hold meetings over the next few days to try to determine if they have the power to begin what would amount to an investigation of organized crime in the province.

Since there is no recent precedent, legal opinion is divided as to whether the jury could, in fact, carry out such an investigation.

If it did succeed, however, it is considered that barring restricting legislation from Queen's Park, subsequent Grand Juries would inherit its expanded powers of inquiry.

First concern

The jury apparently first became concerned about organized crime in hearing evidence in an arson case which involved a man believed to be associated with the Buffalo family of La Cosa Nostra.

Although only one man had been arrested and charged in the case, the jury, in hearing the evidence presented by the Crown, became convinced that a wider conspiracy was involved, a conspiracy involving syndicated crime.

In its interim report it stated: "This jury wished to make a recommendation in regard to a specific case of attempted arson it reviewed . . . It is our strong recommendation that other person or persons (sic) be charged with conspiracy to commit arson."

Privately, a jury member said he believed the reason more people had not been charged in the case was simply that the Crown Attorney's office was overworked and understaffed, and thus incapable of giving the case the attention it deserved.

The grand jury, if it were allowed to call extra witnesses, would be able to further investigate the case on behalf of the Crown Attorney, he said.

The jury clearly is of the opinion that this was not an isolated case, and that grand juries could provide a valuable service in delving deeply into cases where they believe links with syndicated crime might exist, or where they feel there is a chance of uncovering judicial, police or political corruption.

Lawyer David Humphrey agrees.

He was asked by the grand jury to act on their behalf should the Attorney General's department attempt to dismiss them against their will.

(Although Mr. Wishart has said he would be happy to meet with the jury in October, it is still not certain what the government's position will be in the matter.)

Lawyer of repute

As a criminal lawyer of some repute, Mr. Humphrey has wide knowledge of crime operations in Ontario, and shares the jury's concern over the arson case.

He is also concerned in a more general sense about the inroads being made by "the mob" in this province, and feels a grand jury vested with broad investigative powers could provide a safeguard.

"I think it would be great if the Government saw fit to allow the grand jury power to investigate matters of public concern at large," he said.

In the U.S., he said, the grand jury has proved the nation's "salvation" in matters of corruption through organized crime.

It has been one of the few effective watchdogs on "the holy trinity of the corrupt politician, the corrupt policeman and the gangster."

However, Mr. Humphrey is not optimistic about this grand jury's chances of being allowed to flex its muscles.

He points out that the grand jury has two functions: To examine the Crown's evidence in any case destined to be tried before a jury (trial juries are called petit juries), and to decide if that evidence is strong enough to warrant a trial.

If it decides it is, it returns a "True Bill" and the trial then proceeds. If it decides there is not sufficient evidence, it returns a "No Bill," and the accused person is released. This role is defined in the Criminal Code.

The grand jury is also given the power by the Jurors Act to "inspect institutions supported in whole or in part by public monies."

Neither of these roles is likely to be defined broadly enough to allow independent investigations if the matter were tested in court, he said.

There was a slim chance, however, that in view of the grand jury's long and venerable history of investigation in Britain, and more recently in the U.S., a court might decide that broad powers of inquiry still exist, even though they have never been used here.

New laws

If not, he said, it might be worthwhile for the Government to consider granting these powers through fresh legislation.

Another supporter of the jury's attempt to widen its powers is Assistant Crown Attorney Eugene Ewaschuk, who was appointed by the Crown to advise members on legal matters when the jury was formed.

Mr. Ewaschuk said he feels the grand jury's role in reviewing evidence prior to a trial is largely redundant, since this is also done by the preliminary hearing normally held in each case.

The jury's real strength, he said, lay in its powers of investigation.

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TORONTO TELEGRAM MAR 21 1970

In this field, he said, the grand jury could serve a unique function, since it is not subject to political pressure or, because of its size (there are seven members) and ad hoc nature to corruption or subversion.

The job envisioned for itself by the current grand jury is now normally done only when a royal commission is appointed to look into syndicated crime or corruption.

Likely . . . just

But royal commissions must be appointed by governments, and it was conceivable that a government might be corrupted to the extent that it would not wish to have itself investigated, he pointed out.

This had certainly been the case in many areas of the U.S. where only the grand jury has been able to ferret out links between organized crime and governments which have refused to sponsor their own inquiries.

The Ontario Police Commission, which was set up in part to act as a watchdog in matters of corruption and



Bruce Buckingham, a chartered accountant, is acting jury foreman.

organized crime, could be subject to political pressure since it is a creature of the provincial government, Mr. Ewaschuk said.

Organized crime is on the move in Ontario, he said, and a strong grand jury system might be the best way to keep it under control.

Regardless of whether the courts or government decide to allow the jury to expand its terms of reference, acting foreman Buckingham states, it intends to see that its recommendations contained in the interim report are seriously considered.

Conditions

Mr. Buckingham said jury members have agreed to continue their investigations into conditions in the Crown Attorney's office and into organized crime throughout the summer.

At present, he said their plan of attack is still under consideration, but it could include calling witnesses versed in the operations of the crime syndicate.

It might even include issuing subpoenas to known gangsters, since grand juries are thought to have the power to issue subpoenas to anyone within their jurisdiction (in this case, York County.)

If it does nothing else, the jury's extraordinary actions may help clear up the century-old debate over whether grand juries serve a useful purpose or are simply a wasteful anachronism.

The grand jury of today is a direct

descendent of the first body of its kind organized in 1166 by Henry II of England. That first jury was given broad judicial powers and a mandate to investigate the operations of local governments.

By 1351, the trial function of the Grand Jury had been taken over by the petit jury. Its investigative powers waned over the centuries, and the institution was eventually abolished completely in Britain in 1933.

In Canada grand juries were abolished in Manitoba in 1923, in British Columbia and Quebec in 1932 and in New Brunswick in 1959. Alberta, Saskatchewan, the Yukon and Northwest Territories never adopted the system. Thus, it exists today only in Ontario, Newfoundland, Nova Scotia and Prince Edward Island.

The size of the jury has progressively been reduced here from 23 members to 15, to 13 to the current seven.

Meanwhile in the U.S., which inherited the system from the British, grand juries have flourished and become an effective and valuable arm of the judicial system.

In Ontario, the system's first critic of note was Mr. Justice Gwynne, who in 1896 was pleased to tell a grand jury at Kingston that it was "an absurdity which can only be accounted for by that veneration for antiquity which seems to overshadow in some things the human mind."

Since then a number of grand juries have come to the same conclusion and

recommended their own abolition in their reports. The latest to do this filed its report only last January.

In 1936, the attorney general asked Crown attorneys throughout the province for their opinions, and most of them were of the view that the system was useless in its present form.

The only vocal supporters of the system in recent times have been the jurors themselves, a majority of whom have stated in their reports that grand juries are well worth retaining for the safeguards they provide and for the experience they give to the jurors.

Mr. Buckingham is typical. He has little but contempt for predecessors who have asked for abolition.

Opinion

"In my opinion, any grand jury that has concluded that the system should be abolished simply hasn't done its job properly or it would have seen the value of the institution."

There is no denying that the system doesn't work as well as it might, particularly in the area of investigation of public institutions, he said.

In the short time for which it normally exists, it is virtually impossible for a jury to carry out its examinations in anything but the most cursory fashion.

But given the grand jury's potential usefulness as an investigative agency — a watchdog — he asks, doesn't it make more sense to *make* it work than simply to do away with it?

Fighting organized crime in Canada

By W. H. KELLY

W. H. (Bill) Kelly retired last August as deputy commissioner of the RCMP after 36 years in the force, nine of them as assistant director and director of the Security and Intelligence division, the Mounties' spy-chasing operation. Since his retirement he has been writing and lecturing on criminology at the University of Ottawa. He will write regularly for The Telegram on all aspects of police work.

The Federal Government late in 1965 took a serious look at the possible consequences of organized crime in Canada.

It had before it the Dorion Commission report on an inquiry into an attempt by Canadian criminals to bribe a Montreal lawyer. This lawyer was handling extradition proceedings on behalf of the U.S. Government against Lucien Rivard, a drug trafficker. The bribery attempt was made through persons holding high offices within the Federal Government in Ottawa.

Before this, police forces in Canada had had some experience with organized crime, which in the United States has been spearheaded by the Cosa

Nostra, a closely-knit criminal organization.

In the early 1950s, many Cosa Nostra members fled to Canada after the Kefauver enquiry had made things too hot for them in the eastern U.S. They brought their gambling headquarters with them.

It was only the persistence of Canadian police that forced these criminals back to the U.S.A. During their stay however, they recruited and trained Canadian criminals who became the leaders of the Italian-Canadian segment of organized crime in eastern Canada.

It was obvious at that time that organized crime had arrived in Canada to stay. It opened up a new dimension in law enforcement which challenged all Canadians concerned with law enforcement and the administration of justice. Up to that time local police forces provided only those facilities able to deal with local crime.

What they now needed to combat this new menace was the means to collect criminal intelligence on a long term basis, with the support of all other police forces in Canada if necessary, whether municipal, provincial or Federal.

Fortunately, the RCMP had established national criminal intelligence units throughout Canada in 1961. They

had proved their value and had been expanded.

With these things in mind, the Federal Government convened a federal-provincial conference of attorneys general in January, 1966. It was chaired by the solicitor general, now Mr. Justice Pennell of the Supreme Court of Ontario.

The main item on the agenda was to consider what measures were required to successfully combat organized crime. It was agreed that co-ordination of police effort on a national basis was paramount.

Emphasis was placed on the national police services already supplied through the RCMP to all Canadian police forces.

Special training of experienced policemen in the field of organized and other sophisticated crime was placed high on the list of priorities. The solicitor general during the conference announced the establishment of a bilingual Canadian Police College, to be administered by the RCMP for Canadian policemen of all ranks. This was in addition to the police schools operated by Ontario, British Columbia and later, Quebec.

It was also agreed that expansion of the national criminal intelligence units of the RCMP should take place immediately, and that similar units be established in all other major police

forces. Also, provincial centres for the recording and dissemination of criminal intelligence were to be established in addition to the one in operation within the RCMP in Ottawa.

Another step in the fight against crime was considered at the conference. As a result a \$40 million computer solely for police purposes will go into operation in late 1970 or early 1971 for use by all police forces in Canada.

It will be part of the national police service supplied by the RCMP. The principle of television is being brought into the recording and retrieval of fingerprints in the national registry in Ottawa, as an additional service to Canada's police forces.

A second federal-provincial conference in 1966 resulted in the establishment of RCMP fraud squads across Canada to look after problems arising from criminal bankruptcies and securities frauds.

Unlike our friends to the south, Canada's police have been able to organize to meet the challenge of modern crime problems at an early stage of its development.

While this is not the whole answer to the problem, such organization will allow the police to attack sophisticated crime on a broad national basis. Continued support from the various governments and the courts is essential.

TORONTO TELEGRAM FEB 21 1970

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IH255-1.

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GLOBE & MAIL

DEC 16 1969

40 people in organized crime before Canadian courts: Wishart

About 40 people engaged in organized crime are before Canadian courts, Attorney-General Arthur Wishart said yesterday.

He told the Legislature that 14 are in Ontario. More than 25 others are facing court proceedings in other provinces.

Mr. Wishart revealed the information in response to a question asked several weeks ago by NDP Deputy Leader James Renwick. Mr. Renwick was seeking to pin down the Attorney-General on the number of convictions, or court proceedings, being conducted against organized criminals as a result of what Mr. Wish-

art terms "extensive and continuing police investigation."

Replying yesterday, the Attorney-General refused to go into details about the individuals and prosecutions involved, because they are now before the courts and "it would not be appropriate for me to disclose particulars."

In his statement, Mr. Wishart was careful to make a distinction between organized crime and syndicated crime.

Syndicated crime involves criminals who have acquired exclusive control over certain types of crime in one area, he said. "I am advised . . . such syndicated crime does not

presently exist in Ontario."

However, Mr. Wishart said, "it would be an oversimplification of a very complicated problem to leave the matter at that point."

Another aspect of crime, which the attorney-general defined as "a continuing and self-perpetuating criminal conspiracy, motivated by profit, which thrives on fear and-or corruption," has become prevalent and is described as organized crime.

"This term has replaced syndicated crime in police terminology, but the difference in concept must be continually borne in mind."

Organized crime is a problem for Canada too

by Barry Craig
of The Journal

There exists in the United States today, and to some extent in Canada, a continental confederation of criminals who must erode the very foundations of our democratic society if they are to survive.

This cartel is known by several names — The Mafia, La Cosa Nostra, The Outfit, The Black Hand. There are other criminal syndicates, national, continental, international, but this one stands alone as the largest and most enduring, its efficiency inadvertently commended this month when the U.S. announced it has gained control of much of the internal revenue service of an entire state.

Unfortunately, Canadians in general assume criminals respect jurisdictional boundaries; that what they do in the United States does not occur in Canada.

Yet, as early as November 6, 1961, here is what the then-commissioner of the RCMP, C. W. Harvison, had to say to the Canadian Club of Toronto:

“... Canada is experiencing increasing incursions by powerful

crime syndicates. The American syndicates are showing an increasing interest in Canada and are moving to take over direct control of some existing criminal organizations and to expand their criminal activities. They are already active (in this country) in the field of gambling, narcotics trafficking, counterfeiting, and in the protection racket.

“There are many indications, and there is evidence, that the syndicates have already started to treat Canada as an area for expansion of their activities.”

Real threat

But the threat of syndicated crime is not so much its dealerships in illicit goods and services, although that in itself may amount to as much as \$60 billion yearly in the U.S. alone.

Says Professor Donald Cressey, a consultant to the 1967 U. S. crime commission, in his book, *Theft of the Nation*:

“The danger of organized crime arises because the vast profits acquired from the sale of illicit goods and services are being invested in licit enterprises, in both the economic sphere and the political

sphere. It is when criminal syndicates start to undermine basic economic and political traditions and institutions (which they must do in order to function) that the real trouble begins.”

Unfortunately, the traditional approach to combatting syndicated crime, which the majority of law enforcement officials and politicians endorse, will not stop these cartels from surviving or flourishing. And just a half-hour off-the-record talk with syndicate investigators of the Ontario Police Commission would convince anyone that they are flourishing in Canada.

While police are attacking crime syndicates with some success by readily exchanging information on them, participating in special studies with the U.S., devoting some men full-time (as they do in Edmonton) to criminal intelligence, and improving their technology, these attempts, as the United States has found, will not stop the syndicates. For law enforcement attacks syndicated crime as it does individual hoodlums — by attempting to put them away. While this is obviously required, and hurts the syndicates, it ignores a far more salient point: that criminal cartels, particularly Cosa Nostra, are bureaucratic. When one man is jailed

he is simply replaced by another. Mussolini with all his dictatorial powers of the 1930s squashed members of the Sicilian Mafia but within a decade the organization was again thriving, and is today.

It is in this light that the latest Cosa Nostra round-up expected in the United States must be considered: It is nowhere the panacea many assume it to be.

Dangerous

Legalizing some of the services now provided by syndicates is a dangerous alternative. In all cases where gambling, their biggest money-maker, has been introduced by the state, La Cosa Nostra has become involved — in Britain, in Nevada, in Cuba, in The Bahamas. And now Quebec is pondering such a move and former attorney-general Claude Wagner has warned organized crime is trying to move in and control it.

The simple fact is that syndicated crime will not be curtailed until we have learned a lot more about it. And this will require the co-ordinated commitments of many social scientists, systems engineers, policemen and legislators working together, probably within a new agency created federally for the specific pur-

pose of studying criminal cartels and devising methods of eliminating them. The chief difficulty, as the late Senator Robert Kennedy put it, is that his country has not given syndicated crime the priority it requires. The same could be said of Canada.

In the current issue of the Canadian Bar Journal, a Lakehead University sociologist, writing on trends in organized crime in Canada, calls for extensive and empirical research into one of the subjects most conspicuously neglected in Canadian criminology. Prof. Peter Chimbos concludes there is a critical need to study organized crime's structure and its possible sociological connections with police, business and politics.

As well, in this fight, law enforcers, in order to meet the challenge of sophisticated crime, must be specially trained in everything from governmental administration, economics, international trade and foreign cultures, to diplomacy and espionage.

The threat against Canada today is greater than it has ever been. The U.S. today, more than ever, is tackling criminal syndicates. And when the heat was on the last time—during the Kefauver hearings — several syndicates temporarily moved their headquarters to Canada. The heat is on again.

EDMONTON JOURNAL DEC 16 1969

TH255-1

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FINANCIAL POST NOV 29 1969

How organized crime gets in business — and what it seeks

Suddenly it's Canada's turn to worry about the infiltration of organized crime into legitimate business.

In Quebec, for instance, the Prevost Commission is preparing a report on organized crime. One member of the Commission says the public is being kept in ignorance of syndicated criminal activities in the Canadian business community.

But the extent of organized crime in Canada can be controlled, some experts say, if we act now and take preventive measures such as increased security on the part of brokerage houses and stiffer jail sentences.

"By cutting down the odds, or by taking the profit out of crime, we can deter the infiltration of criminal syndicates into business and financial institutions," says Herbert Thurston, intelligence officer with the Ontario Police Commission.

Here, in an interview with FP's John Fennell, are Thurston's comments on organized crime in Canada today:

FP: What type of business do criminal syndicates like to penetrate?

Thurston: Any business that shows a profit.

How do they gain control of legitimate business operations?

The 6-for-5 loan — the 20% interest rate per week charged for loans — is one of the main weapons for infiltration.

Does the tight money situation help crime syndicates infiltrate more businesses?

It simply supplies them with more customers than they would ordinarily have had. The history of organized crime in North America shows that criminal elements have made their best gains when restrictions were put into effect, and when the average citizen was finding the going rough.

To what extent has organized crime crept into Canada?

We're only in the process of finding out. It has been going on over a number of years. The Brockville Trust robbery, and the handling of securities stolen, certainly proved an organized criminal activity in the disposal of those securities. The point is, are the Canadians involved associates, or members, of organized crime? There seems to be some hesitancy on part of those in authority to come to a conclusion.

It has been reported that

organized crime has penetrated banking and investment institutions in the U.S. Has there been any infiltration in investment firms in Canada?

Do you mean at some point been taken over?

Yes.

No, I have no knowledge that this is the case. But we are aware of money that has been used in various stock transactions. We know of criminal organizations that have disposed of stolen securities. As a matter of fact, there are eight such cases pending at the moment.

Is there some way of determining the amount of "illegal" money that is involved in organized crime operations in Canada?

There's no way I know of. We try to check out leads, but they either end up in some financial investment in the U.S. or in a Swiss account. Funds are traceable to a point, but we can't determine the original source and thereby claim it's syndicate funds.

Is it not possible to trace "drycleaned" money (illegal currency invested in a legitimate business so it can be reported for tax purposes)?

Do you know of any law that compels such a disclosure yet? The investor suspected of using illegal money can simply claim it's a loan from a Swiss bank, or money left to him by a dead uncle through a Swiss account number.

How easy is it for criminals to get rid of stolen stocks and bonds?

Quite easy. There have been instances where loans are acquired on a collateral basis with stolen certificates and, if the interest on the loan is continued, there's no movement on the stock and no chance of it becoming known as stolen.

Police have dealt with criminals in the past year who have known the exact date of the next audit report and who knew exactly how long that stock was going to be clear of being reported.

Do you consider, then, that there has been someone in the investment firms who was tipping off the syndicates to this information?

There is some indication in most cases of theft of this type, that it is with internal assistance. It would necessitate that type of knowledge.

Is there an answer in controlling stock and bond thefts?

Yes there is. Security in

these firms leaves a great deal to be desired. Screening of personnel who handle securities would cut down thefts.

The simplest procedure would be to make it law that, if accepted as collateral, a stock or bond must be cleared before being accepted and, when sold, there should be no immediate transaction. It should be mandatory to have a waiting period before cash can be collected.

Is there any increase in the bucket shop type of operation and with fraudulent mining stock?

These people were chased out of Toronto a short while back. As I understand it, they've simply spread out. I doubt if there's been an overall decrease.

What about credit cards and crime — is this a good venue for the criminal and is there any indication of increased credit card crimes by syndicates?

The strength of organized crime has been its ability to find a hole in the law so it can make money. This involves weaknesses of any system in handling money.

There are plenty of loopholes in the credit card system. Its very ability to extend credit makes it vulnerable. Credit people are well aware of this and are trying to plug the gaps by using data processing systems.

What action is being taken to deal with organized crime?

Naturally, because the ease of transportation and communication has made it easier for the criminal to operate, we've had to upgrade our system to make it more professional. There are a number of specific police courses for in-service training; the RCMP is encouraging many of its members to specialize in various fields of criminology; and many policemen are taking advantage of university extension courses.

Is there an effort on the part of police forces across Canada to pool resources?

Yes. We were the first organization in North America to start training police in relation to organized crime (1965). We meet with provincial police and various municipal police force representatives to pool information. This office is now the storage centre for that information, and it can be analyzed and disseminated on a regional basis. The RCMP, provin-

cial police and 26 major municipal police departments are involved throughout the province.

Your department seems to have a good fix on movements and interactions of organized crime personnel. Is there a good rapport between Canadian and U.S. police forces on this subject?

Yes there is. We are members of a large organization in the U.S. that is similar to our Ontario operation. They call their group Law Enforcement Intelligence Units (LEIU). We exchange information on a need-to-know and demand basis and this has been very helpful.

In addition, a Canadian intelligence force is being set up — to go into operation in January, 1970 — and will be handled by the RCMP. It will work with provincial police forces, and municipal police departments, and will give us complete coverage of criminal activities from coast to coast.

We also have coverage through the RCMP with the FBI and Interpol — covering almost anywhere in the world.

Will this have a marked effect on organized crime?

Not unless there's a change in dealing with organized crime in comparison to dealing with normal criminal activities. We have to stop some of the functions that enable organized crime to penetrate and operate.

What functions would these be?

The ability to get rid of illegally gained money.

This is why we have such a large interest in their penetration of legitimate business. We don't know enough about the flow of money yet. We know how much they make in gambling, but we don't know how they handle or dispose of it.

They make money from narcotics, but we don't know how they handle the proceeds or dispose of the money. They make money through their 6-for-5 loans, but we don't know what they do with the net profits. Here is the weakness that prevents us from coping with organized crime. We know they deal in corruption, so we have to stop their ability to corrupt.

If we get to know the animal well enough, we can reduce its ability — or stop it — from functioning entirely.

IH255-1.

HALIFAX GLOBE AND HERALD NOV 15 1969

Mafia Fighting To Gain Crime Control

QUEBEC (CP) — Two Mafia families from New York and Buffalo are waging a life-or-death struggle to gain control of organized crime in Montreal, a Quebec royal commission on the administration of justice said Friday.

In its report to the provincial government, the commission said the New York group, formerly headed by Joseph Bonanno, and the Buffalo Magaddino family have been interested in Montreal for nearly 20 years.

"According to the information we have, the commission feels that several of the gangland slayings that have bloodied Montreal recently can be attributed to clashes between representatives of a Cosa Nostra family from Buffalo and those of the Joseph Bonanno family.

"Such armed clashes happen at a time when no one criminal organization can establish its absolute control of an area."

The report names some individuals, such as Lucien Rivard, Louis Greco and Vincent and Giuseppe Cotroni, as being connected with organized crime in Montreal.

The royal commission also:

- Recommended the legalization of prostitution, although it would maintain legal sanctions against pimps, procurers and all soliciting in public places.
- Raped the RCMP for being

less co-operative with Canadian police forces sometimes than they are with U.S. police.

--Recommended that the Quebec government go into the gambling and betting business as soon as the Criminal Code is changed to permit this.

--Listed gambling, betting, loans at excessively high interest, and wholesale drug traffic as the main sources of revenue

for organized crime in the province.

--Recommended legalizing the sale of marijuana.

The report estimates that 200 persons are fully involved in organized criminal activities, including arson, bank robberies, fraudulent bankruptcies, blackmail, gambling, extortion, alcohol-smuggling, prostitution and labor rackets.

*Similar article
on IH288-3.*

ACTION REQUEST
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FILE NO. — DOSSIER N°

1H 255-C-1

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Districts CAB.*

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**Pages 472 to / à 479
are withheld pursuant to section
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19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

THE MONTREAL STAR
October 4, 1969

Canada's unending roundup of U.S. hoodlums

By PAUL DUBOIS

The intelligence and investigation unit of the Canada Department of Manpower and Immigration has a "Yankee Go Home" policy — but it applies only to U.S. criminals, especially members of the Mafia.

Steve Fontanne, one of the intelligence unit's top investigators, said yesterday criminals driven out of the United States seek refuge in Canada and it is his unit's job to stop them. But if they do enter the country, they have to be rounded up and sent back home.

Addressing the four-day Law Enforcement Intelligence Unit conference at the Sheraton-Mount Royal Hotel, Mr. Fontanne agreed with Montreal Police Director Jean-Paul Gilbert that Montreal and other major Canadian cities are natural targets for international criminals from all countries.

Mr. Fontanne admitted foreign criminals have enjoyed some success in infiltrating Canada. This was due in part to a "very open" immigration program, a lack of effective liaison with law enforcement agencies. It was also due to a lack of full awareness of the problem on the part of the immigration service and lack of resources and technical capability to cope with the problem.

While some foreign criminals have managed to enter the country, a great many have been prevented from doing so or have been nabbed shortly after their arrival here.

Under the Immigration Act, Mr. Fontanne explained, foreign criminals can be excluded or removed from Canada on the basis of their records.

Mafia drive

He revealed that intelligence units have discovered that North American crime syndicates are experiencing difficulty in filling the lower echelons with North American born persons of Sicilian ancestry. This is said to be mainly due to the numerous legitimate opportunities available to them in the U.S. and Canada.

Intelligence officer's report that North American Mafia leaders are complaining that American-born recruits do not remain as loyal to their bosses as do those who come from other countries.

The officers were recently alerted to the possibility of a Mafia recruiting drive in Europe. They have already investigated a large number of individuals who appeared likely candidates.

Their investigation along this line has so far been centred in the Windsor, Toronto and Montreal areas. There are indications that the Detroit, Buffalo and New York syndicates have endeavored to secure the entry of Mafia recruits through relatives and associates in Canada.

Intelligence officers, it was learned, have received the co-operation of many immigrants who reported attempts by the Mafia to pressure them to participate in organized crime through threats of violence to their relatives back home. "American prostitutes in Canada are numerous," according to Mr. Fontanne who served 20 years with the RCMP before accepting his present post with the immigration department's intelligence unit.

He said they operate mostly in Montreal, Toronto, Hamilton and Windsor. Mr. Fontanne explained that many police departments had found it almost impossible to lay charges against them. Police efforts are continuing and in many cases, investigators start tailing the American prostitutes the moment they enter Canada. Some of them are eventually arrested and deported.

THE MONTREAL GAZETTE
October 4, 1969

Immigrants 'pressured into crime'

By ALBERT NOEL

An official of the intelligence unit of the federal immigration department said yesterday that immigrants — particularly those in the country illegally — are being pressured into participating in organized crime.

Sixty-five per cent of the 200 immigrants involved in counterfeit activities during the past two years emanated from Italy, declared N.S. Fontanne, head of intelligence of the Department of Manpower and Immigration.

In discussing Canada's war on crime before delegates of the Law Enforcement Intelligence Unit Conference here, Fontanne revealed that North America criminal syndicates, are experiencing difficulties in filling its lower echelons with North American-born persons of Sicilian ancestry.

Recruiting 'soldiers' from abroad

These underworld barons are recruiting their "soldiers" from abroad, added the speaker.

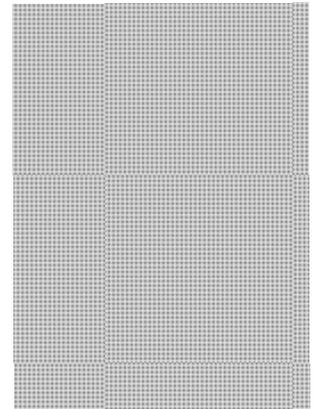
In Canada the war against organized crime is of special interest to immigration authorities because so much of the illicit activities are conducted from abroad, he pointed out.

Criminals driven out of the United States seek refuge in Canada and they establish lucrative "branches" here.

As an example, he noted that American prostitutes are numerous in Canada. Many police departments have their hands full with this never-ending problem, Mr. Fontanne said.

"We have been approached many times for assistance and have done what we can from an immigration viewpoint to help them. But since pimps operate on a hit-and-run basis it has been virtually impossible to obtain sufficient evidence for prosecution purposes," he said.

"In order to deal more effectively with the pimps and procurers who are organizing prostitution in Canada our unit has documented, in book form, all persons who have been deported because of activity in this field and has issued the books on a selective basis to municipal police forces."



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TORONTO STAR

OCT - 3 1969

QUEBEC POLICE COMPILE FILES ON CRIME LORDS

MONTREAL (CP) — Police in Quebec are compiling comprehensive files on the kingpins of organized crime in Canada, a provincial police officer said yesterday.

Within six months, said Chief Inspector Herve Patenaude of the QPP, "we'll know who's who in organized crime in the province."

Inspector Patenaude was outlining the work of the Quebec Research Bureau on Organized Crime to policemen from New England and Canada attending the Law Enforcement Intelligence Unit in Montreal.

Jean-Paul Gilbert, Montreal police director, said that because of Montreal's location, international airport, harbor and road facilities, "it goes without saying that for those who indulge in organized crime this city is splendidly located to facilitate their operations."

74255-1

MONTREAL GAZETTE OCT 3 1969

Crime file

Police team compiling who's who of criminals

A comprehensive file on the kingpins of organized crime in Canada is being put together, piece by piece, by police in Montreal.

The aim is to learn the identity of all criminal big-wigs within six months.

The comprehensive picture of organized crime and its leaders is slowly but surely being put together at the Quebec Research Bureau on Organized Crime, which was established quietly in March.

The research bureau's goal was outlined here yesterday to those attending the Law Enforcement Intelligence Unit (Eastern and Central Zone) by Chief Inspector Herve Patenaude, of the Quebec Police Force.

Inspt. Patenaude said the bureau brings together the three major police agencies in Quebec Provincial, RCMP and Montreal.

He outlined the bureau's principal functions:

- 1 — Research and correlation of information, reports, documents and data for insertion in the dossiers of persons who have known or suspected connections with organized crime;
- 2 — The establishment of a permanent records centre and provisions for the continuous up-dating of records and dossiers;
- 3 — The dissemination of information and records;
- 4 — The coordination and establishment of liaisons with other government agencies,

By EDDIE COLLISTER

municipal, provincial and federal police forces and independent agencies.

5 — The verification of reports, correspondence and information available to the various police forces;

6 — Stimulating the process of developing sources of information and encouraging the development of personal relationship and trust among members to increase the flow of information between member agencies.

Inspector Patenaude said the time has come for us "to rid ourselves of our pet peeves and fancies."

He called for a "two-way" flow of information between the public and police.

In outlining the scope of interest of the bureau to delegates who represent all the major police agencies in the New-England States and Canada, the inspector listed the following:

Legitimate business interests of major criminals and organized groups; gambling; narcotics; counterfeiting bankruptcy, and associated arson and insurance frauds; stock racketeering and corporate thefts; racketeering — terrorizing of legitimate businesses and labor by violence or threats to obtain control, or to receive graft for protection; corruption of public officials; theft of bonds, securities and precious metals

and shylocking — loans at extremely high interest.

He stressed the bureau was not a preventive or operational unit but acts as a "central provincial repository" for vital information with "the ultimate aim — of assisting investigators in their task of apprehending persons whose business is crime."

In an interview with The Gazette following his address, Inspector Patenaude said that within six months "we'll know who's who in organized crime in the province."

What happens then is up to the various police agencies concerned.

"We should be intelligent enough to know we won't get far if we don't develop a dialogue," he said.

IH255-1.

s.19(1)

GLOBE & MAIL

JUL 30 1969

Police posting \$5,000 reward in gun slaying

A month to the day after Italian immigrant Filippo Vendemini was shot to death, the Metro Police Commission yesterday offered a \$5,000 reward for information leading to the arrest and conviction of his killer.

Homicide investigators said they have found no link with organized crime, either international or local.

Most likely, they said, the killer is an individual who bore a personal grudge against the 43-year-old shoe merchant, and satisfied it with three bullets from a .38-calibre revolver in the parking lot behind Mr. Vendemini's Bloor Street West store and apartment.

After ranging across Ontario, into Quebec and to Buffalo and other northern U.S. cities, the investigation is focussed now on Metro, and particularly on its Italian community.

Italian areas will be blanketed with reward posters, in Italian—the second time Metro police have issued posters in a language other than English. In 1962, Polish-speaking 16-year-old Julian Wolanski was found slain on Indian Road and Polish posters were issued. Her murder is unsolved.

On Sunday morning, an Italian-speaking detective will appeal for help on a regular Italian-language television program.

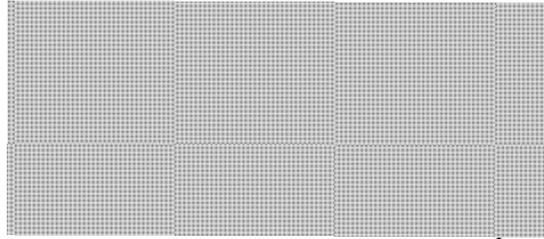
Homicide detectives Wallace Harkness and Walter Tyrell, plus four detectives of the intelligence bureau—which specializes in information on organized crime—have worked full-time on the case for a month.

"We've co-ordinated all their information, and it brings us right back here to Toronto," acting homicide inspector Jack Webster said.

Recent developments have produced some new approaches to the case, he said, but he would not elaborate.

Mr. Vendemini's widow Giuseppina, 40, who was found crouched over his body screaming after he was shot, is expecting her sixth child in the fall.

Her eldest sons, Michael, 17, and Nazerino, 15, have taken over operation of the family shoe store. "And they're doing quite well," said a detective who visits the family as the investigation continues.



reported on IH255-1,
21-12-67 and 8-2-68

JJK 30-7-69

David Jordan
advised on same
date that subject
is identical.

JJK 30/7/69.

Carded
JJK 30/7/69

MEMORANDUM

CLASSIFICATION



TO
A Chief Intelligence Officer
Ottawa

YOUR FILE No.
Votre dossier

FROM
De Officer-in-Charge
Toronto Intelligence Unit

RECEIVED
JUL 11 1969
I. & I. UNIT
OTTAWA

OUR FILE No. IH650-TT-229
Notre dossier

DATE 10 July, 1969

FOLD

SUBJECT
Sujet Fellippo VENDIMINI

1. I spoke to Det. W. Tyrell, who interviewed [redacted] in Montreal on the 8 July, 1969. For your information this man is not identical to [redacted]. This individual died in August, 1968 and the [redacted] involved in this case [redacted]. The complete details will be supplied to me when Det. Tyrell has some time from his present investigation to meet with me.

2. [redacted] admitted that he had spoken to VENDIMINI by long distance telephone, that he had met him here and that they had proceeded to Hamilton, Ontario where they visited with the [redacted]. He stated that they returned from Hamilton and VENDIMINI dropped him off at the Toronto International Airport at approximately midnight on the 28 June, 1969 where he was to catch the midnight flight to Montreal. Apparently he missed the flight and took the next one leaving Toronto at 1:20 a.m. Homicide Investigators are satisfied that his time is accounted for and that he is not involved in the slaying of VENDIMINI.

3. I will be advised of further developments.

C.A. Beacock
Officer-in-Charge
Toronto Intelligence Unit

s.19(1)

Page 488

**is withheld pursuant to sections
est retenue en vertu des articles**

13(1)(c), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**



ACTION REQUEST FICHE DE SERVICE

FILE NO. — DOSSIER N°

114650-TT-229

TO — A

Chief

DATE

9-7-69

LOCATION — ENDROIT

Ottawa

FROM — DE

C.A. Seacock, Toronto

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RECEIVED
 JUL 11 1969
 I. & I. UNIT
 OTTAWA

Neglected to attach to memo dated 8 July 69 concerning VERBIMINT

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GANGLAND VICTIM LINKED TO BOOZE WAR

By WADE ROWLAND
Telegram Staff Reporter

An address book found in gangland murder victim Filippo Vendemini's apartment contained the telephone number of a known Cosa Nostra figure and also confirmed police beliefs that Vendemini was prominent in an inter-city illicit alcohol war in Toronto.

The telephone number

was that of the man who played a role in the operation of most illegal stills in Montreal.

It's believed Vendemini was an importer of the Montreal-produced raw product, which is distributed in Toronto in various forms — as ersatz gin, whiskey, wine and liqueurs.

Relatively little bootleg alcohol has been produced

in the Toronto area since the January, 1967, murder of booze mogul Salvatore Triumbari by an opposing mob faction, according to police.

Most of the illicit alcohol distributed in Toronto is imported from Montreal in cars and trucks.

It sells here for about \$22 a gallon or 60 to 75 cents for a large pop bottle full and

is distributed through shoe stores and bakeries in the Italian community.

The bootleg king in Montreal whose telephone number appeared in Vendemini's note book is identified by police as a soldier in the New York-based Cosa Nostra family of Paul Sciacca — successor to Joe Bonanno.

His immediate boss is

Guiseppe Cotroni, believed a lieutenant in the Sciacca family, which was given control of Montreal rackets after Bonanno was deposed in 1964.

It is traditional Cosa Nostra procedure to farm out industries such as bootleg booze to soldiers or button men. In return for the privilege of being allowed to

See GANGLAND Page 2

TORONTO
TELEGRAM
4 JULY 69.

(Continued from Page 1)

operate the illegal enterprise, the soldier is called upon occasionally to carry out murder "contracts" and other messy enforcement jobs.

Police investigating Sunday's murder have also linked Vendemini to Triumbari. Both men at one time worked as salesmen for the same Toronto soft drink company believed to be a front for illegal alcohol distribution.

Vendemini has also been connected by police with Triumbari's faction in the gangland feud which led to

the shooting death of Triumbari.

Because of these links with Triumbari and with other Cosa Nostra figures such as dope smuggler Albert Agueci (murdered in 1965) speculation is that the Vendemini murder, like Triumbari's, may be part of a larger dispute between Buffalo and New York Cosa Nostra families.

It's thought Triumbari and Vendemini may have been connected with the Magaddino Cosa Nostra family in Buffalo, while their murderers may be working for Sciacca in New York.

According to this theory, the killings were the result of a long-standing dispute within the Cosa Nostra over the split-up of Joe Bonanno's territory in Canada.

When Bonanno was ousted for various breaches of Cosa Nostra protocol the syndicate's commission gave Toronto to Magaddino and Montreal went to Sciacca. Both had been Bonanno territory.

Recently-released FBI bugging transcripts show deep dissatisfaction with this set-up within Cosa Nostra ranks.

Some police officials theorize Sciacca and his Montreal associates may be trying to assert control over Toronto at Magaddino's expense.

The illicit alcohol trade is thought to be a principal area of combat.

Shoe stores and bakeries have traditionally been the standard fronts for the bootleg industry. Shoe stores because the gallon cans in which the product is wholesaled fit neatly inside a shoe box.

BAKING ODOR

Bakeries were originally picked because the grain, yeast and fires needed for bread production are the same ingredients used in distilling alcohol. The strong smell of freshly-baked bread was useful in

covering up the less pleasant, incriminating odor of cooking mash.

Bakeries have another advantage — a well-organized distribution service which can also be used to deliver illegal alcohol.

Police believe recent bombings and extortion threats at bakeries in Toronto's Italian community have been closely connected with the dispute.

MONOPOLY

Primary target in the terror campaign, however, is more obvious — a monopoly in the bread wholesale industry.

No evidence that Vendemini's shoe store had been used for distribution of illegal alcohol has yet been uncovered by police.

TORONTO STAR 2 JULY 69

Liquor racket linked to Metro's 2 gangland killings

By GWYN THOMAS
Star staff writer

Police believe gangland rivalry over moonshine alcohol is behind the slaying Sunday of shoe store operator Filippo Vendemini and the shooting 2½ years ago of his former boss, soft drink company president

Salvatore (Sammy) Triumbari.

The investigation of both killings is being accelerated by the homicide squad led by Inspector George Sellar.

One investigator said today that back in early January, 1967, or late December 1966, Vendemini pinioned a rival gang leader while

Triumbari worked him over with a razor blade. A short time later, Triumbari was killed in a burst of gunfire outside his home.

Vendemini, 43, was shot down behind his Bloor St. store in similar gangland fashion three days ago.

Police say there is little

doubt the killings are linked.

Vendemini was fatally shot about 1 a.m. as he returned home to the apartment above his shoe store after a meeting with a man named Vince. Vince is 35 to 40, short, speaks Italian—and can't be found.

Police, who have been un-

able to get much information from sources in Toronto's 300,000-member Italian community, have two major facts:

When Vendemini was killed he had phone numbers of several Montreal racketeers in his pocket, including that of a kingpin in supplying alcohol illegally.

He also had \$600 in his pocket.

Triumbari, 38, was shot in front of his home on Jan. 6, 1967. Police believe that at the time Triumbari and his mob were fighting with another group over the distribution of moonshine alcohol and counterfeit money in the Toronto area.

Most of the illegally-made alcohol in eastern Canada is made in southern Quebec. Toronto is a rich market for anyone who sells the pure alcohol often added to homemade wines and liquors.

Although no arrests were made in the Triumbari investigation, police said

they feel they know the killer and the gang behind it.

Triumbari, who carried a cocked pistol in the waist band of his trousers, was apparently resisting efforts of a rival gang to move in on the illicit alcohol market being masterminded from Montreal.

In the razor-slashing in-

cident two years ago, police have hospital records to show that the rival Italian gangster was treated for cuts but he maintained, when questioned at the time, that he received the cuts in a quarrel with his wife.

Police said they believed
See MOONSHINE, page 5

the killer of Triumbari was the man slashed with the razor. The rival gang planned his killing soon afterwards—too soon for the cuts to heal.

The morning that Triumbari was killed two men in a car, one with a surgical dressing on his face, asked a TTC bus driver the way to Sherman Court where Triumbari lived.

Triumbari was shot down as he left his home to go to his plant. Two nights before there had been a meeting of about 30 men in his recreation room.

Police said they feel sure there is a link between the murders of the two Italian businessmen because of clues dug up at the time of the Triumbari killing and since Sunday's slaying of Vendemini.

PHONE NUMBERS

Both men made frequent trips to Italy and both are known to be connected with the same man in Montreal—a man who was once charged with murder in Toronto.

Police said the Montreal man is involved in the illicit alcohol racket. His telephone number and the telephone numbers of other men known to be racketeering in Montreal were found in Vendemini's pocket.

Police said Vendemini must have expected some kind of trouble. They found two rifles in his shop with bullets hidden in various locations.

Police said Vendemini may have been marked for murder by someone from Montreal.

His present wife, Guisepina, 40, told police she answered the telephone in their apartment above the shop Saturday night. The long-distance caller asked for her husband in Italian.

She yelled downstairs to her husband who came to the phone and spoke pleasantly to someone he referred to as Vincenzo who seemed to be interested in placing an order for shoes. Vendemini was a shoe wholesaler as well as a retailer.

Vendemini told his wife the man was flying down to look at the shoes—he didn't say from where.

SHOE BOXES

Shortly before 8 p.m. an airline limousine from Toronto International Airport arrived at the Vendemini address. Mrs. Vendemini told Det. Sgt. George Thompson and Det. Wally Harkness that she looked out of the back window and saw her husband showing the man shoes in two different boxes he had carried from the stock room.

A few minutes later, Mrs. Vendemini said, her husband called for her to toss his coat down the back stairs. The two men drove off in Vendemini's car.

Police concentrated their holiday investigation in an attempt to identify the caller. Detectives went to Hamilton and Guelph where friends of Vendemini named Vincenzo lived. Both clues washed out.

Long distance telephone records are being checked. Yesterday, Det. Joseph Youdell of the Metro police airport detail spent hours in Winnipeg checking passenger reservation records. He could find no trace of the man who flew to Toronto, then took a limousine from the airport to the victim's store.

Detectives spent many hours Monday night at the

airport trying to get a line on the mysterious businessman who, Mrs. Vendemini said, spoke Italian, was between 35 and 40 years of age, and short.

When the man hired the limousine gave Vendemini's shoe store address on Bloor W.

If he is still in the city and not in any way involved in Vendemini's killing, police can't understand why he has not come forward to clear himself.

Vendemini was gone about five hours after leaving with the stranger. Police have no idea where they went.

Police said the killer likely hid in the area way under the back stairs, four steps beneath the ground level, waiting for Vendemini to come home.

Police said when Vendemini parked his car and approached the stairs leading up to the apartment he had no chance to escape a hidden gunman.

Police think the first of three bullets from a .38 calibre revolver hit him in the chest severing his spinal cord and spinning him on his back.

Then, with the revolver inches from Vendemini's face, the killer fired one shot that entered his head near his eyes and another shot just below his nose.

His face was so badly marked that the casket had to be closed at the funeral parlor from which he was buried Monday afternoon.

The Metro police intelligence squad, headed by Inspector Roy Sopley and through surveillance and underworld contacts been

trying to piece together what has occurred in extortion and protection rackets in Metro's Italian community.

They have a fairly good picture, but it doesn't lead to arrests because witnesses are almost non-existent.

"We believe Vendemini's murder has something to do with shakedown and protection rackets," said Homicide Inspector George Sellar.

"But the trouble is getting

leads. In most of the murders we investigate the public gives us a good many of the leads.

"In this type of investigation you make your own leads or you go nowhere. No one tells you anything."

Sellar said there have only been two murders during his years as a homicide investigator where not a single tip has been telephoned to police. The Triumbari slaying was the

first and the Vendemini murder the second.

Sellar said there was some suggestion that Vendemini had been trying to establish an off-track betting business before the federal law prohibiting it was passed.

Interpol, the international police organization, will be asked to learn what they can through Italian police about persons visited by Vendemini on frequent trips to Italy, Sellar said.

But police aren't hopeful of digging up important clues from this source. They tried the same channels after Triumbari's murder and came up with nothing.

His favorite spot was the Italo-Canadian Club on Brandon Ave., just around the corner from the church where he was buried Monday.

Vince Andrello of Dubray Ave., remembers Vendemini as a good guy. He said he usually played cards for a beer although from time to time he talked about other games he played for hundreds of dollars.

If these games were real, nobody around the Italo-Canadian Club ever saw them. The Club is a quiet place, about as sinister as a small-town Legion Hall.

About the time he quit Cynar, Vendemini sent his wife and five children back to Italy. Nobody seems to know whether it was for a holiday or because it would be cheaper to support them there.

If it was for a holiday, it

was a more expensive one than anyone who knew him thought he could have afforded at the time. If it was to save money, his need didn't last long because they were back in a month or two.

Vendemini was in and out of Joe Cordi's textile store at 1086 Bloor St. W. quite a bit about then and talked of starting a little store of his own.

He said he thought he might like to go into the shoe business.

Cordi was about to move five doors away so he arranged for Vendemini to take over his lease in December, 1968. Vendemini

then went into the shoe business.

He sold his house for \$13,000, borrowed \$10,000 from a bank and moved the family into the apartment over the store.

Vendemini was a strict, old-country husband and father who seldom discussed business with his wife and was strict with his children.

Merchant gunned down in Mafia-style slaying

By CALVIN MILLER
and GARY RALPH
Telegram Staff Reporters

Detectives are looking for the gangland assassin of Filippo Vendemini, 43, shot down early Sunday as he stepped from his car behind his Bloor St. W. apartment.

They're investigating a link between the killing of Vendemini, who was shot three times, and the murder of Salvatore Triumbari, who was killed almost three years ago on the lawn of his home. His assailants have never been found.

Montreal police picked up a man in connection with the shooting today and are holding him for return to Metro for questioning.

Police believe Vendemini may have been shot with a Beretta. They established that Triumbari definitely was.

Bullet fragments have been sent to the Attorney General's forensic science laboratory.

Triumbari was ambushed in January, 1967 when he left his Sherman Court home.

Vendemini and Triumbari both came from Reggio, across the strait of Messina from Sicily — and both came to Canada about 18 years ago.

Vendemini was employed as a salesman at Triumbaris, Cynar Dry Company on Eugene St. when the 1967

shooting occurred. After emigrating to Canada in 1951, Vendemini worked as a construction laborer and then as a salesman for various firms until finding employment with the soft drink company.

NO RECORD

He left the firm and wasn't located by police until he opened a shoe store last October. Vendemini didn't have a police record.

The Vendemini shooting is being investigated by both the Metro homicide squad and the intelligence squad headed by Inspector Roy Sople.

Police officials said both deaths probably resulted from "double-crosses"

within an organized crime setup.

Vendemini was returning home at 1 a.m. Sunday and parked his 1967 Oldsmobile in a gravelled parking area off a laneway at the rear of his shoe store and upstairs apartment. The alley runs between Bartlett Ave. and Gladstone Ave. just north of Bloor St.

Police said one man is probably responsible for the shooting, but another person may have been waiting in a car nearby.

CLOSE RANGE

Vendemini was shot once in the head. Then the gunman moved in and shot again at close range, firing another bullet into his face and another into his heart.

His daughter, Maria, 14, heard the commotion and looked out to see her father lying beside his car. Two other sons, Nino, 11, and nine-year-old Lorenzo remained asleep.

The other Vendemini children, Nazareno, 15, and Michael, 17, were at a nearby poolroom.

Maria woke her mother and ran downstairs.

6TH CHILD

Mrs. Guiseppina Vendemini, 40, who is expecting her sixth child in July, cradled her husband's head and cried:

"Oh, my God. My poor Filippo, my poor Filippo."

Anna Bucciarelli, 23, a next door neighbor, called police after hearing Mrs. Vendemini's screams.

She said she went outside and tried to take Mrs. Vendemini from her husband. "She just wouldn't let go. She just cried and crouched over the body holding his head."

Miss Bucciarelli said Maria finally persuaded her mother to go into the apartment.

Vendemini was pronounced dead on arrival at St. Joseph's Hospital.

NOT ROBBED

Police said Vendemini was carrying a wallet which contained some money and was wearing a gold ring with a diamond stone. They were not taken.

Vendemini left his apartment between 7:30 and 8 p.m. Saturday without saying where he was going.

Police have so far been unable to determine where he was between then and the time he was shot.

Deputy Police Chief Andrew Hamilton was called at his home and went to the scene to supervise the investigation.

Nazareno, who identified his father's body at the morgue, said he didn't know anything about the shooting. "My father didn't have any enemies. He was a hard working person and he wouldn't hurt anyone."

Mrs. Vendemini was placed under a doctor's care.

GOOD BUSINESS

Emilio Bucciarelli, owner of a variety store next to the Vendemini shoe store, said Mr. Vendemini was building up a good business.

"He was a nice quiet man and a man who spent a lot of time in his store."

Mr. Bucciarelli said he didn't know where Vendemini went when he left his apartment. The family didn't have many relatives here.

Poolice said they've been meeting a wall of silence so far in their investigation.

"It'll take time to investigate, but we usually find

out everything,' a policeman said.

Police asked neighbors if Vendemini had any connection with Tony Commisso, owner of an Italian bakery which was damaged by a firebomb earlier this year. Commisso was also injured by a mysterious shotgun blast, but police haven't been able to get details. So far they can find no link.

Funeral mass for Vendemini will be held at St. Mary of the Angels Church on Dufferin St. near Davenport Rd. today.

A spokesman at Frank Lynett Funeral Home on Dundas St. W. said five men made the arrangements for the funeral Sunday. They had planned the service for Wednesday, but it was later changed to today.

TORONTO
TELEGRAM
30 JUNE 69

**Pages 494 to / à 497
are withheld pursuant to section
sont retenues en vertu de l'article**

19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

Copy

s.19(1)

MEMORANDUM

SECRET



TO
A Chief Intelligence Officer
Ottawa, Ont.

RECEIVED
JUL 9 1969
I. & I. UNIT
OTTAWA

YOUR FILE No. IH 288-2
Votre dossier

OUR FILE No. IH 288-C-2
Notre dossier

DATE 3 July 69.

FROM
De Officer in Charge,
Toronto Intelligence Unit.

SUBJECT
Sujet Mafia - Buffalo, Niagara Falls,
Hamilton, Toronto.

1. 2 JULY 69: I called [redacted] after the demise of Filippo VENDIMINI for any information which might assist in the location of his murderer. On this date I received a call [redacted] and the following information was disclosed:

- (a) The only ones talking about it were [redacted]
- (b) The funeral was very modest and not well attended.
- (c) [redacted] recently purchased a lot of very expensive furniture and a new car for his son. He is also preparing for a trip home to Italy for a holiday.
- (d) [redacted] is allegedly planning to return to Italy for good.
- (e) [redacted]

2. I will try to comment on the significance of the above information and supply whatever background information I can.

(a) [redacted]

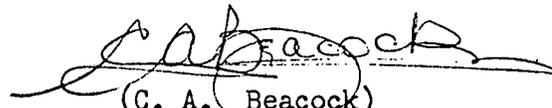
SECRET

- 2 -

- (b) [REDACTED] Had VENDIMINI been in good standing there would have been a large turn-out.
- (c) Explained in (a) above.
- (d) [REDACTED] could be returning to Italy for good. He feels it is probably because he is attracting too much "heat".
- (e) [REDACTED]

*handing
over?*

3. The foregoing information has been passed verbally to M.T.P.D. Intelligence Squad, a copy of this report will be supplied to them and to the R.C.M.P. (N.C.I.U.) for their information.



(C. A. Beacock)
Officer in Charge
Toronto Intelligence Unit.

s.19(1)

114255-1

GLOBE & MAIL JUL 5 1969

Probe into death of Vendemini is proceeding well, police say

Metro police say they are making satisfactory progress in the investigation into the killing of shoe merchant Filippo Vendemini.

A spokesman said yesterday that it has been thought Vendemini, 43, may have been killed because of his friendship with Salvatore Triumbari, but that it now was considered possible he was killed because he was regarded as an enemy of Triumbari by the person who fired three shots into his chest and head. Triumbari was ambushed and killed outside his North York home on Jan. 6, 1967.

"We still have not been able to establish a motive. It is correct that Vendemini

worked with Triumbari. There is also the third possibility his death had nothing to do with the Triumbari case," said Acting Deputy Chief Adolphus Payne.

Police said they have examined and pulled apart footwear imported from Italy in Vendemini's Bloor Street store. On Saturday night, a short time before the killing, Vendemini met a man known as Vincenzo behind the store, carrying with him several boxes of shoes which he gave or sold to the man.

No trace of smuggled goods was found in the heels or soles of the shoes police examined. They say they are

trying to discover if any criminal activity may have been behind the killing.

Phone numbers of Montreal people thought to be in the illegal alcohol trade were found in an address book owned by Vendemini. But neither the name nor the phone number of the man who is said to head the Mafia in Montreal was among them, Mr. Payne said.

Police think a gang war is going on in Metro but discount the possibility that the Mafia is involved. Mafia activities in Metro are reputed to be controlled by the Buffalo family of the Mafia, and police have found no links with that city.

Mike

Ontario

TORONTO TELEGRAM JUL 3 1969

THE DIRTY WAR FOR LITTLE ITALY

By KESLEY MERRY
Telegram Staff Reporter

At least two separate factions are battling for supremacy in Toronto's Italian community with every trick in the book of crime.

The fight, which has so far led to two deaths, is for control of not only legitimate business, but the illegitimate ones as well.

One of the most lucrative and current inroads into legitimate business is the control of the bakery industry. Two men have been wounded, a number of stores damaged by bomb blasts and prices controlled.

Salvatore Triumbari and Filippo Vendemini have already died because of the open warfare that rose to the surface more than two years ago. Police, and the participants themselves, fear more will die before it ends.

Police believe that Triumbari's death, in January, 1966, was probably a mistake.

The killers, they think, intended only to beat him and panicked when they realized he was carrying a gun.

But Vendemini's death was no mistake. The first shot, which killed him, was fired from a distance and penetrated his heart. The last two bullets, probably from a .32 calibre revolver, were pumped into his head from close range — so close that powder burns were left.

Metro police are trying to locate a man they know as "Vince" who telephoned Vendemini Saturday night and later arrived at the victim's Bloor St. W. shoe store in an Airport Limousine.

After a short conversation, in which Vendemini was seen showing "Vince" several shoe boxes, the two men left together in the victim's car.

It has been learned that "Vince" could be a 33-year-old Montreal hood with connections in the New York Cosa Nostra family of Joseph (Joe Bananas) Bonanno.

A Metro detective is expected to go to Montreal to give each bakery a 20 per cent rebate, thus allowing them a small profit.

But, there is no guarantee the wholesaler will give the rebate.

The police investigation of the Italian community's troubles keeps turning up the same names when they search for those responsible.

SIMILARITIES

The deaths of Triumbari and Vendemini have their similarities.

Both came from the same part of Italy. Vendemini worked at one time for Triumbari, and both apparently feared for their lives.

Triumbari carried a pistol, and Vendemini kept two automatic rifles in his store with ammunition hidden in various locations.

Triumbari died a short time after a member of a gang, thought to be the "enforcer" of the Italian community working for one of the criminal factions, was slashed across the face with a razor, apparently by the murder victim.

Vendemini is rumored to have been present during the attack and some say even held the man while he was slashed.

Vendemini's murder followed less than 48 hours after another member of the "enforcer" group was picked up by immigration authorities to be deported to Italy. Police have turned up information to connect the murder with the establishment of off-track betting parlors and crooked card games.

BAKERIES

Both murders are linked to the bombings and shootings that have plagued the Italian bakery industry in the past 18 months, leaving two men wounded and a number of stores damaged.

For some time, an attempt has been under way to organize the bakeries and force them to sell bread at the same price and purchase it from the same wholesaler.

One source said yesterday that the bakeries must buy their bread for 33 cents a loaf and sell it without a markup. At the end of the month, the source said, the wholesaler has promised to

These people are the "enforcers" who keep the victims in line and prevent them from talking to police.

The attempt to extort thousands of dollars from a Burlington beauty salon operator was connected by police with the same group in Toronto.

Illicit alcohol has been reported to be one of the major activities involved in the criminal war but police said this is not true.

There is not enough money in this particular segment to make it worthwhile.

PROTECTION

Illicit liquor, police said, is only one of the many crimes involved in the war. They include prostitution, extortion and drugs.

Dozens, maybe hundreds, of small businessmen in Toronto's "Little Italy" pay weekly "protection money" that could range from \$15 to \$50.

The police know it is going on but are powerless to stop it.

Each time they try to investigate extortion attempts the victims refuse to co-operate.

In one case where the police actually made arrests the victim refused to identify the criminals in court. Police said he got a "death sign" from someone in the court room and panicked.

Although Ontario authorities have continually denied that the Mafia or Cosa Nostra operates in this province, the investigation into the troubles of the Italian community continually find connections between criminals here and in the U.S.

How strong these connections are no one knows for

sure, but they do exist.

The police have two major factors working for them in their attempts to keep the Cosa Nostra out of Toronto:

To operate successfully, syndicated crime must have the police on its payroll and this has so far been impossible in Metro; and

Toronto's home-bred criminals don't want American competition and often inform the police of the activities of Mafia members moving across the border.

Jerry

255-1

GLOBE & MAIL JUL 3 1969

Police seeking man who saw Vendemini 5 hours before death

A man who drove a car he rented at Malton airport to see Filippo Vendemini five hours before he was killed early Sunday is being sought by Metro police.

Also hunted is somebody named Vincenzo—he may be the same man—who telephoned the 43-year-old shoe merchant about shoes.

Police said that the conversations Vendemini had with the men—or man—were among the last he had before he was shot from ambush behind his Bloor Street West apartment and store.

About 30 detectives are hunting the killer and leads to gangs said to be preying on Metro's Italian community.

Last night police said they have made no solid progress.

Vincenzo was the name by which Mr. Vendemini addressed a man who telephoned long-distance early Saturday night, according to the dead man's wife, Giuseppina 40.

Vincenzo, she gathered, was

interested in buying some shoes and might fly to Toronto, from where it was not clear.

Police are questioning all the Vincenzos they can find who had business or social dealings with the family.

About 8 p.m. a car arrived and Mrs. Vendemini saw her husband showing a man several boxes of shoes. The stranger was 30 to 35, about 5 feet 7 inches and swarthy, wearing a brown suit.

After a few minutes, the two men drove away in the Vendemini car.

Five hours later, Vendemini returned and was shot three times by an assailant who waited in the parking lot at the rear of his store and second-floor apartment.

Police are checking car rentals, airline flights by Italians and Mr. Vendemini's shoe business contacts. Interpol, the international police agency, is looking into shipments of shoes to the store from Italy.

Telephone numbers found in Mr. Vendemini's pockets are being traced, including numbers in Montreal. A Metro detective is expected to fly there to question several men.

Acting Deputy Chief Adolphus Payne said yesterday there has been too much speculation in the case. He denied reports there is concrete evidence to link the killing with the illegal sale of alcohol in the Italian community.

Possible links with the 1967 slaying of Salvatore Triumbari have not been discounted. He was shot from ambush as he left his North York home and died with a loaded gun in his pocket.

Both men emigrated in 1950-51 from the Reggio area of Calabria, Italy and Mr. Vendemini worked briefly for Mr. Triumbari's soft drink company, Cynar Dry, Ltd.

Mr. Triumbari's brother Charles, who succeeded him as president of Cynar Dry, complained yesterday about renewed publicity over Salvatore's death.

"He (Mr. Vendemini) only worked here a few weeks and everybody's coming to me for information," Mr. Triumbari said.

"My brother is dead. He is the first one but not the last one."

James

Merchant gunned down in Mafia-style slaying

An Italian-born businessman was shot to death early yesterday in a Mafia-style slaying almost identical to the one that took the life of his former employer 2½ years ago.

Filippo Vendemini, 43, owner of a Bloor St. W. shoe store, was found by his wife and daughter, sprawled on the parking lot a few steps from the rear stairs to their apartment over his store at about 1 a.m.

He had been hit by three bullets, one in the abdomen and two more in his head.

Vendemini formerly worked for Cynor Dry Co. Ltd. before buying his own store last October in the Bloor-Dufferin area.

Salvator (Sammy) Triumbari, 34, president of Cynor, a soft drink firm, was shot and killed on Jan. 6, 1967, just outside the door of his North York home by two men who were never caught.

Metro police believe there could be a connection between the two killings.

After Triumbari was slain, police asked Interpol, the international police organization, to investigate his background, including a 1958 visit to his former home in southern Italy.

At that time, police suspected that Triumbari may have been dealing in bootleg alcohol from Montreal and possibly involved in the handling of European-made counterfeit money.

He apparently feared for his life because he was carrying a loaded automatic pistol in his belt when he was shot.

Yesterday, police investigating Vendemini's death would not say what they

knew of his background and did not admit they even knew he was a former employee of Triumbari's firm. Both came to Canada at about the same time, 1950 or 1951, from the same district, Reggio.

Italian speaking detectives were used in the investigation in the predominantly Italian-speaking section of the city where Vendemini lived and had his small store, specializing in imported Italian shoes.

Vendemini had parked his car at the rear of his store and was apparently approaching the wooden stairs to the apartment above when shot.

The gunman or gunmen (Mafia-style killings usually involve two men, one to do the killing and one as back-up in case something goes wrong) may have waited in the shadow of the parked trucks of the adjacent Amodeo Brothers fruit store.

Maria Vendemini, the victim's 13-year-old daughter, was watching television in the second-floor apartment, about 30 feet away, and heard the shots.

Lights illuminating a large white paint store sign

across Gladstone Ave. from the alley would have made Vendemini a perfect target for his assassin. He had parked his car at the rear of the shoe store and was about 10 steps away from it when the first bullet struck him.

The area can be easily seen from a half-dozen apartments and homes along Bloor St. and Gladstone Ave., but police appeared to have little luck finding witnesses. Or, if they did, the witnesses were not admitting to anyone that they had talked to police.

Several heard Vendemi-

ni's wife screaming after she ran outside and found her husband dead or dying. Anna Buccarelli, who lives next door to the Vendeminis, was not awakened by the shots but heard the screams.

Mrs. Adele Buccarelli said Anna saw Mrs. Vendemini and her daughter kneeling beside the body, then ran into her bedroom saying that something had happened to Filippo. Mrs. Buccarelli tried to get the hysterical wife back from her husband's body.

"She was kneeling beside him, screaming—I tried to pull her away but she wouldn't leave," said Mrs. Buccarelli.

Jim Vasalopoulos, whose house on Gladstone Ave., is just at the back of the lot where the shooting occurred, said his wife had heard the shots but didn't realize what they were until she heard Mrs. Vendemini's screams.

"We had seen the children out back sometimes, but we didn't know them," said Vasalopoulos, an ice cream salesman. "They hadn't been there long and were quiet people"

Vendemini had five children, Michael 17, Nazareno, 15, Maria, Nino, 11, and

Lorenzo, 9, and Mrs. Vendemini is expecting a sixth. Nazareno said yesterday the family would continue to operate the store.

Nazareno said yesterday the family knew no reason why anyone would want to kill his father and suggested that he had no serious enemies. He said they would continue to operate the store.

The Metro police intelligence squad also has been investigating what is believed to be an extortion racket that has resulted in bombings and fires in bakery stores owned by Italian-born businessmen. One a, Anthony Comisso, 49, was shot in the legs earlier this month.

Police said a shotgun blast struck him as he crossed an Eglinton Ave. parking lot. Comisso's partner in the bakery business is Guiseppe Racco. Last July two shotgun blasts were fired at Racco's brother, Cosimmo, outside Guiseppe's home.

Police said there have been dozens of cases where sugar was put in gasoline tanks of trucks owned by small bakeries and tires slashed. But police almost always face the same problem—a difficulty in finding witnesses who will testify in court.

TORONTO STAR JUN 30 1969

VENDEMINI

1H 255-1

TORONTO TELEGRAM JUN 30 1969

Pg. 1

LINK?

Police

hunt

gangland

assassin

By CALVIN MILLER
and GARY RALPH
Telegram Staff Reporters

Detectives are looking for the gangland assassin of Filippo Vendemini, 43, shot down early Sunday as he stepped from his car behind his Bloor St. W. apartment.

They're investigating a link between the killing of Vendemini, who was shot three times, and the murder of Salvatore Triumbari, who was killed almost three years ago on the lawn of his home. His assailants have never been found.

Montreal police picked up a man in connection with the shooting today and are holding him for return to Metro for questioning.

Police believe Vendemini may have been shot with a Beretta. They established that Triumbari definitely was.

Bullet fragments have been sent to the Attorney General's forensic science laboratory.

Triumbari was ambushed in January, 1967 when he left his Sherman Court home.

Vendemini and Triumbari both came from Reggio, across the strait of Messina from Sicily — and both came to Canada about 18 years ago.

Vendemini was employed as a salesman at Triumbaris, Cynar Dry Company on Eugene St. when the 1967

shooting occurred. After emigrating to Canada in 1951, Vendemini worked as a construction laborer and then as a salesman for various firms until finding employment with the soft drink company.

NO RECORD

He left the firm and wasn't located by police until he opened a shoe store last October. Vendemini didn't have a police record.

The Vendemini shooting is being investigated by both the Metro homicide squad and the intelligence squad headed by Inspector Roy Soplek.

Police officials said both deaths probably resulted from "double-crosses"



Neighbor Anna Bucciarelli comforted Mrs. Vendemini and phoned police.

within an organized crime setup.

Vendemini was returning home at 1 a.m. Sunday and parked his 1967 Oldsmobile in a gravelled parking area off a laneway at the rear of his shoe store and upstairs apartment. The alley runs between Bartlett Ave. and Gladstone Ave. just north of Bloor St.

Police said one man is probably responsible for the shooting, but another person may have been waiting in a car nearby.

CLOSE RANGE

Vendemini was shot once in the head. Then the gunman moved in and shot again at close range, firing another bullet into his face and another into his heart.

His daughter, Maria, 14, heard the commotion and looked out to see her father lying beside his car. Two other sons, Nino, 11, and nine-year-old Lorenzo remained asleep.

The other Vendemini children, Nazareno, 15, and Michael, 17, were at a nearby poolroom.

Maria woke her mother and ran downstairs.

6TH CHILD

Mrs. Guiseppina Vendemini, 40, who is expecting her sixth child in July, cradled her husband's head and cried:

"Oh, my God. My poor Filippo, my poor Filippo."

Anna Bucciarelli, 23, a next door neighbor, called police after hearing Mrs. Vendemini's screams.

She said she went outside and tried to take Mrs. Vendemini from her husband. "She just wouldn't let go. She just cried and crouched over the body holding his head."

Miss Bucciarelli said Maria finally persuaded her mother to go into the apartment.

Vendemini was pronounced dead on arrival at St. Joseph's Hospital.

NOT ROBBED

Police said Vendemini was carrying a wallet which contained some money and was wearing a gold ring with a diamond stone. They were not taken.

Vendemini left his apartment between 7:30 and 8 p.m. Saturday without saying where he was going.

Police have so far been unable to determine where he was between then and the time he was shot.

Deputy Police Chief Andrew Hamilton was called at his home and went to the scene to supervise the investigation.

Nazareno, who identified his father's body at the morgue, said he didn't know anything about the shooting. "My father didn't have any enemies. He was a hard working person and he wouldn't hurt anyone."

Mrs. Vendemini was placed under a doctor's care.

GOOD BUSINESS

Emilio Bucciarelli, owner of a variety store next to the Vendemini shoe store, said Mr. Vendemini was building up a good business.

"He was a nice quiet man and a man who spent a lot of time in his store."

Mr. Bucciarelli said he didn't know where Vendemini went when he left his apartment. The family didn't have many relatives here.

Poolice said they've been meeting a wall of silence so far in their investigation.

"It'll take time to investigate, but we usually find out everything," a policeman said.

Police asked neighbors if Vendemini had any connection with Tony Commisso, owner of an Italian bakery which was damaged by a firebomb earlier this year. Commisso was also injured by a mysterious shotgun blast, but police haven't been able to get details. So far they can find no link.

Funeral mass for Vendemini will be held at St. Mary of the Angels Church on Dufferin St. near Davenport Rd. today.

A spokesman at Frank Lynett Funeral Home on Dundas St. W. said five men made the arrangements for the funeral Sunday. They had planned the service for Wednesday, but it was later changed to today.

TORONTO TELEGRAM JUN 30 1969

Pg 2



Madison Sate, Telegram
Filippo Vendemini was gunned down in this parking lot behind his apartment. The killer waited in the shadows behind stores fronting Bloor St. and Gladstone Ave.



The slain man, a shoe merchant, opened this Bloor St. store after working in construction and as a soft-drink salesman. He came to Canada from Italy's Reggio area.

IH2551

TORONTO TELEGRAM

Organized crime strong in Province. OPC warns

Organized crime, ranging from narcotics and extortion to arson and fraudulent bankruptcies, has gained a "considerable" foothold in Ontario, the Ontario Police Commission warned yesterday.

The 1968 commission report, tabled in the Legislature warns that large amounts of profit from illegal activities are being

poured into legal businesses in the province, much of it under co-ordination with organized crime in other provinces and the United States.

It is the first time the commission has admitted the extent of organized crime in Ontario.

Organized criminal rings "have demonstrated they will move in wherever a prospect of any profit might

be reasonably expected," the report says.

The report, released by Attorney General Arthur Wishart, says "the danger of becoming complacent in this field is very real.

"Suffice it to say that in the fields of hard narcotics distribution, gambling, loan-sharking, the movement of stolen property,

including stolen securities as well as fraudulent transactions such as property and securities, extortion and the distribution of pornography, there has been considerable activity in Ontario," it states.

The commission's report also says arson and fraudulent bankruptcies are being exploited by organized crime.

Mr. Wishart refused to make any comment on the report. "We don't tell all we know of the details of organized crime," he said, but indicated he would make comments in the House later.

The report also points out that a crackdown on organized crime in the U.S. could result in increased activity here in Ontario.

CRIME RATES

The commission released figures comparing the major crime rates in the province in 1967 and 1968, showing increases in murder, robbery, possession of

stolen goods, frauds and prostitution.

Considerable increases were noted in Metro Toronto in the areas of prostitution, frauds, and possession of stolen goods.

Metro Police Chief James Mackey refused to comment until he has read the commission's findings.

However, Metro Police Commission Chairman Judge Charles Bick said there have been efforts by syndicated criminal elements to operate in Metro.

Judge Bick said Metro is a lucrative market for the U.S. syndicates to consider, and it would be naive not to consider they would expand here.

"It is difficult to break down the differences between organized and syndicated crime," he said. "An organized criminal activity can mean only two or three persons, but it is not necessarily part of the syndicate.

He said there is no evidence of syndicated crime in Metro now.

"There have been efforts by the U.S. syndicates to operate in Metro, but Valachi admitted the Mafia had failed here."

Judge Bick was referring to testimony given by Joseph Valachi, a minor Mafia mobster, to a U.S. Senate subcommittee on crime, in 1963.

"It will become increasingly difficult to prevent the operation of syndicates here," Judge Bick warned.

Constable Syd Brown, president of the Metro police association, said the Ontario Police Commission report was consistent with a report his association had submitted to a police salary arbitration board last week.

PAY-OFFS

He said in the U.S. where salaries and working conditions are bad for police officers, organized crime has infiltrated in the form of pay-offs to officers.

"We don't have this situation in Ontario yet," he said, "but we may get it if criminals are pushed across the border into Canada."

The Ontario Police Commission report said its criminal intelligence branch is learning more and more about the activities of organized crime in the province.

"We are now aware of the identities of a considerable number of persons and groups, as well as their methods of operations," it says.

Attorney General Wishart has conceded previously in the Legislature that organized crime is operating in Ontario, but the 1968 commission report reveals for the first time the areas in which it is involved in and gives an indication of how firmly it is entrenched.

CO-OPERATION

The report cites co-operation with police departments, the OPP and RCMP in working out an effective program for combating organized crime in Ontario.

"We feel confident that no substantial organized crime operation can now flourish in Ontario without our knowledge and without a meaningful counterattack by trained and co-ordinated police forces," the commission report states.

Police chiefs of other major cities in Ontario generally agreed with the findings of the commission, with supporting evidence from their own cities.

Chief Gordon Preston of Windsor said: "We have recognized organized crime as having inroads here and it must be admitted it is involved in legitimate business now."

Niagara Falls Police Chief Irwin Wilson was more blunt in his reaction to the commission's report: "Organized crime is defi-

nately in Ontario; there's no doubt about it."

Definite efforts by organized crime to operate legitimate businesses in Toronto were reported by Judge Thomas Graham of the Ontario Police Commission on May 17.

He said the commission knows of 20 or 30 moderate-sized Ontario firms which have received money gained through prostitution, gambling and narcotics.

In several cases, the commission discovered the businessmen were approached by men who wanted to buy into the business, and were threatened with violence if they refused.

Metro Chief Mackey told a May 28 Commons justice committee meeting wire-tapping devices had been used in Ontario to combat the Mafia.

He said electronic surveillance confirmed a hoodlum had been sent by the New York mob to control Ontario activity in illegal alcohol trade, counterfeit money, drugs, among others. The man was eventually arrested and deported to Italy.

Chief Mackey also cited another case where a Mafia executive had been sent from Italy to Ontario to control the flow of narcotics from Europe through Canada to the large markets in the United States.

This man was later arrested with several others in Ontario, and was found murdered in the U.S. while on bail.

La Re.

I11255-1.

MONTREAL GAZETTE JUN 4 1969

'Compete with criminals'

Fight crime, industry asked

Industry could put organized crime out of business by competing with the criminals, an American crime-fighter said here yesterday.

Martin B. Danziger, chief of the Organized Crime Programs Division of the United States Law Enforcement Assistance Administration, said the existing industrial and monetary structures have built-in temptations for the criminal element in the human character.

He told the conference of the Canadian Society for Industrial Security at the Chateau Champlain Hotel that banks, loan companies and credit unions should attempt to help high-risk loan seekers.

"When a stevedore needs cash for a domestic or personal emergency, where is he going to find it legally?" he asked.

Either outright waterfront pilferage or the consulting of loan sharks would be logical conclusions to the problem, he said.

When the low-wage earner turns to one of these solutions, he has established ties with organized crime that are

difficult, if not impossible, to break.

The man in a plight seldom turns to a legal source of help such as the loan department of his bank because he knows he is a high risk and his chances of getting help are slight, said Mr. Danziger.

The investigator said usurious interest rates charged by loan sharks vary from one to 150 per cent per week. He had personally unearthed one case in which a businessman had paid back more than \$14,000 on a \$1,900 loan.

This type of legal "competition" with organized crime would have its "pay-off in a decrease in the rate of crime in business."

Society in general would benefit from this practice, said Mr. Danziger, "because the dollar you give is worth a dollar. The dollar he steals (in merchandise or bearer securities) may be worth 30 cents to a fence."

Industry could also beat organized crime to the punch by "investing" in ex-convicts and convicts about to be released.

"Most prisons have no rehabilitative effect and so the

convicts' return to crime is almost a foregone conclusion," he said. Industry should offer training programs as an alternative to what is in effect the convict's only choice, a return to crime.

Juvenile delinquents were another neglected "labor pool," he said.

As a one-time assistant district attorney in New York City, he said, "I viscerally understood the need of a young guy to go out and steal \$50 to take his girl out.

"I didn't agree with his

morality, but I understood his need," he said. "Industry could offer training programs and better alternatives than running numbers or selling marijuana."

Mr. Danziger said organized industrial crime in the United States is costing some five per cent of the nation's total corporate profits. Small businesses were the hardest hit.

He said proof of the existence of organized crime lay in thieves' ability to dispose of stolen merchandise quickly and quietly.

MEMORANDUM

CLASSIFICATION



TO
A

Chief, Intelligence Officer,
Ottawa.

YOUR FILE No.
Votre dossier

OUR FILE No. IH255-E-1
Notre dossier

DATE:
May 23, 1969.

RECEIVED
MAY 27 1969
I. & I. UNIT
OTTAWA

FROM
De

Officer in Charge,
Intelligence Unit, Montreal.

SUBJECT
Sujet

Criminal Organizations - General

1. Further to an underworld killing witnessed by the M.C.P. on May 4, 1969, at the corner of Jean-Talon and 13th Avenue, Montreal, where the victim was Robert ALLARD, we have obtained background data on the three suspects whose testimonies were enough for Sessions Judge Jacques Trahan to commit them to trial on charges of murder, they are:

Vincenzo (Jimmy) DI MAULO, b. [REDACTED]
Montorio, Campobasso, Italy.
L.I. February 11, 1951, Halifax, N.S.
Granted Canadian Citizenship on June 26, 1959.

Giuseppe (Jos.) ARMENI, b. [REDACTED]
Ardore, Italy.
L.I. July 25, 1953, Halifax, N.S.
No record at Citizenship Office to date.

Nicolo LEO, b. [REDACTED]
Cattolica Eraclea, Italy.
L.I. May 21, 1960, Halifax, N.S.
No record at Citizenship Office as of this date.

s.19(1)

2. Further to your memorandum dated May 14, 1969 on this file, regarding the Miss Italy of Quebec contest held in Montreal on April 12, 1969, we have obtained confirmation of the place and date of birth of the Honorary President, Joseph Anthony DI CROCE, who is also the Ville d'Anjou Chief of Police, implicated in a fraudulent land deal. DI CROCE was born in Montreal, Que., on [REDACTED]

3. This report is submitted for information purpose only. Attached hereto is a newspaper clipping from the Montreal Star dated May 21st 1969 regarding the charges faced by DI CROCE to the Anjou inquiry commissioners.

WJ
M.K.
i/c

J.P. Seguin
(J.P. Seguin)
Field Intelligence Officer

s.19(1)

000508

Anjou cop forgets where he got loan

By RAYMOND DIONNE

The Anjou inquiry commissioners faced conflicting testimonies yesterday.

Police Chief Joseph Di Croce swears he received 49,400 square feet of land for \$1 from Georges Albert Farrese "solely out of his friendship for me and for no other considerations."

The land today, the commissioners have heard, is valued at \$350,000 or more.

Taxi operator Farrese insists that he was merely a go-between for the police chief and that he never received "even a dirty penny out of the deal."

The lot, according to president Alfred Miller of Champlain Heights Ltd., which owned the land, was sold for \$5,000 in April, 1961, to Mr. Farrese



Taxi operator Georges Albert Farrese

This would make the entire lot today worth about \$350,000.

Mr. Farrese has insisted that he signed both the 1960 and 1961 documents on the same date in 1961 when the purchase was finalized.

He insists also that he never received \$10,000 from Mr. Di Croce due on a number of land transaction commissions because money was paid instead to his company.

He claimed the police chief paid his taxi company \$6,000, saying it was for land transactions.

Assistant police chief Eugène Perreault testified that he and a police captain, a Captain Tremblay, "out of friendship for the chief" each offered to pay \$2,000 to Mr. Farrese "who was becoming a pest."

Assistant Chief Perreault said he did not remember at what bank he borrowed the money but he was sure there was no endorser for him, nor for Captain Tremblay.

Judge André Surprenant said it was incomprehensible to him that a senior police officer did not remember at what bank he had made a loan, particularly when all payments on the loan were made at the bank's premises — and a police officer should know where the banks are anyway.

All witnesses insisted they were "hardly more than good acquaintances through these years." They mostly met, they said, purely on business and mostly at city hall.



Police Chief Joseph Di Croce

after he had earlier — in October, 1960 — made an offer of "\$1 and considtrations."

Mr. Miller testified that amount of money was paid to his firm by Mr. Ferrase, who says he "never disbursed a black penny."

The land is situated at the intersection of Metropolitan boulevard and Roi-René boulevard and was reserved for expropriation at the time of the purchase. A 5,000 square foot section is presently being considered for expropriation at between \$50,000 and \$65,000, or up to \$13 a square foot.

Mr. Miller said the land was originally bought at five cents a square foot.

"The Montreal Star"

May 21, 1969

sentence
al court

covered from a motel room. Dr. Shulman, a millionaire and former Metropolitan Toronto Chief coroner, has since sold his art collection.

Scientific plans
Document divulgué en vertu de la loi sur l'accès à l'information
TAIPEI (Reuters)—Formosa will spend at least \$30,000,000 a year on a new plan to increase the development of science in the country, the central news agency said yesterday. The plan will include the training of science teachers.

Access to Major and Outdoor P
Private Beach from 1984
• Sauna • Dancing
• Entertainment Nightly
• Broadway Shows
• Children's Counselors




PEAFF

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SINGER AUTOMA. Model 503-J (JE-054704)	\$104.95	SINGER
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LOCATION — ENDROIT

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C.A. Bracco, for info

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- SIGNATURE
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MAY 27 1969
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OTTAWA

*Received from O.P.C
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for C.P.C.*

000511

**Pages 512 to / à 513
are withheld pursuant to sections
sont retenues en vertu des articles**

13(1)(c), 19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**

IH255-1.

TORONTO STAR MAY 16 1969

'Black money'

Crime profits found in Ontario companies

Profits from gambling, prostitution, narcotics trafficking and other operations of organized crime are being funnelled into legitimate Ontario businesses, a member of the Ontario police commission said yesterday.

Such profits are called 'black money' by policemen.

Judge Thomas J. Graham said the commission is not prepared to disclose which businesses, or which types of businesses, are involved. But about 20 or 30 "moderate-size" firms have received such funds.

Enlarging on a speech to the West Toronto Kiwanis Club, Graham said there is no indication that any large

public companies are targets of organized crime.

In the U.S., he said, it has become the custom for racketeers to invest in legitimate business operations "in order to become recognized as bonafide businessmen."

A legitimate "front" gives a racketeer better cover for his criminal activities, he said.

Graham said there is nothing to indicate that firms which have received money from criminal elements have themselves become involved in illegal activities.

"But we are continuing our studies to find out the purposes behind these investments," he said. "We are deeply concerned about it."

IH255-1

MAY - 7 1969

WINDSOR STAR

Criminal migration feared by McIlraith

OTTAWA (CP) — Solicitor-General George McIlraith warned Tuesday that criminal elements may migrate to Canada from the United States if the U.S. administration's attack on crime proves successful.

In a written statement to the Commons committee on justice, before which he appeared as a witness, Mr. McIlraith said organized crime has at its disposal "the most up-to-date methods to permeate society." Large Canadian cities are not immune from it.

All levels of society are its prey, he said.

"Protection, gambling, prostitution, drugs, money are woven into a complex pattern of criminal 'big business' which causes enormous losses to the country."

Noting that President Nixon has asked Congress for \$61,000,000 to combat crime in large American cities, Mr. McIlraith added:

"If this attack is successful, it is to be expected that elements of organized crime will attempt to cut their losses and to operate both from and in large Canadian cities."

Mr. McIlraith said the federal treasury board recently approved construction of a Canadian police information centre at RCMP headquarters in Ottawa. Construction will begin about June and should be completed by late 1970.

Equipment at the centre, including a computer, will provide Canada with "the most modern tools in the world to achieve law enforcement effectively."

Any police force in the country will be able to obtain almost instantaneous information about wanted persons, vehicles or property thought to be stolen, as well as identification of wanted persons.

The centre will also have access to information from the U.S. and from Interpol, the international police agency.

"Without the development of the Canadian police information centre, the fabric of our urban society and our country would soon be overtaken by organized crime in our metropolises and their outlying areas," said Mr. McIlraith.

Construction of the centre will cost \$2,500,000. Development costs over the next five years will be around \$7,300,000, while operation and computer rental will cost over \$30,000,000.

IH255-1

GLOBE & MAIL MAY 8 1969

41 executions

Gang probe planned by Montreal police

By RONALD LEBEL

Globe and Mail Reporter

MONTREAL — After watching a Chicago-style gang war helplessly for more than year, Montreal police plan to take the offensive at a coroner's inquest opening Friday.

The inquest technically will deal with Sunday's shooting of Robert Allard, 24-year-old member of an embattled holdup gang, but police lawyers will ask plenty of questions about a string of 41 underworld executions, most of them unsolved.

Three men were arrested shortly after Allard was shot down in the middle of an east end intersection and they are being held as material witnesses until Coroner Laurin Lapointe hands down his verdict.

Dr. Lapointe has issued warrants naming Vincenzo (Jimmy) DiMaulo, 34, Joseph Armini, 30, and Leo Nicola, 25, as material witnesses.

Police say DiMaulo is the owner of the Peppermint Lounge, a St. Laurent Boulevard night club that has been the scene of several gun battles and one explosion in the past year.

Police identify Armini and Nicola as one-time bodyguards for a prominent Montreal businessman of Italian origin who has been involved in lengthy and inconclusive trials.

An autopsy showed that Allard was killed by a volley of 12 bullets near his apartment in suburban St. Michel.

Police said the Criminal Investigation Bureau made the three arrests soon after the shooting because two of its men had been tailing Allard for some time after hearing in underworld circles that he was a marked man.

Police said that several members of Allard's gang have been murdered and that others have been targets of several attempted murders.

In the earlier stages of the gangland war, victims usually were found in deserted fields, in car trunks or floating in the St. Lawrence River.

In the last few months, how-

ever, several notorious holdup experts and protection racket enforcers have been riddled with machine gun bullets in crowded night clubs in the city's north and west ends.

Police attribute the gang vendettas to an attempt by independent holdup gangs to move into city areas controlled by the organized syndicates with connections in the United States.

Montreal has become the holdup capital of North America, reporting 815 armed robberies in 1968 with total losses of \$2,263,000. This compares with 706 robberies netting \$1,870,000 in 1967.

Last year's holdups included 93 at chartered banks and caisses populaires and there have been more than 50 bank robberies so far this year, of which only 12 have been solved.

U.S. criminals eyeing Canada, McIlraith warns

OTTAWA (CP) — Solicitor-General George McIlraith yesterday warned that criminal elements may migrate to Canada from the United States if the U.S. administration's attack on crime proves successful.

In a written statement to the Commons committee on justice, before which he appeared as a witness, McIlraith said organized crime has at its disposal "the most up-to-date methods to permeate society."

Large Canadian cities are not immune from it and all levels of society are its prey, he said.

"Protection, gambling, prostitution, drugs, money are woven into a complex

pattern of criminal 'big business' which causes enormous losses to the country."

Noting that President Richard Nixon had asked Congress for \$61 million to combat crime in large U.S. cities, McIlraith added:

"If this attack is successful, it is to be expected that elements of organized crime will attempt to cut their losses and to operate both from and in large Canadian cities."

McIlraith said the federal Treasury Board recently approved construction of a Canadian police information centre at RCMP headquarters in Ottawa. Construction will begin about June and

should be completed by late 1970.

Equipment at the centre, including a computer, will

provide Canada with "the most modern tools in the world to achieve law enforcement effectively."

TORONTO STAR MAY 7 1969

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Tuesday, April 22, 1969

Crime study office set up by Quebec

QUEBEC — (CP) — Quebec province intensified its fight against organized crime yesterday by establishing a research office to co-ordinate police information.

The move, made in cooperation with the RCMP and Montreal police, was announced by Premier Jean-Jacques Bertrand.

Mr. Bertrand, also justice minister, said Director Maurice St. Pierre of Provincial Police will have personal responsibility for the research office.

The office is known in French as "Bureau de recherches du Québec sur le crime organisé" — the Quebec bureau of research on organized crime.

Mr. Bertrand's announcement follows publication last January of a royal commission report on justice that criticized Quebec for "marking time" in the fight against organized crime.

The announcement says the research office is the result of

an agreement between provincial police, Montreal police and the RCMP.

The crime office will conduct the following operations:

- The search for and accumulation of "information and documentation of all kinds, for files of notorious criminals."

- "Liaison and co-ordination with other agencies, both government and private".

- The establishment of a special card index on crime information and "the transmission via appropriate channels of information collected."

The statement said the organized-crime office "will make possible the adoption of simple and uniform methods... to inform efficiently and rapidly the various police forces struggling against organized crime."

At the same time the Premier announced that the Quebec Police Institute, a training college to be operated by the Quebec Police Commission, will open June 16.

WLB
22/4/69

April 27, 1969



Police Director Jean-Paul Gilbert

American Crime Lords May Set Up Shop Here

QUEBEC (Special) — The crackdown on organized crime south of the border may encourage expert criminal organizers to move into Montreal, where organized crime already is a multimillion-dollar business.

This grim prospect was placed before the Quebec Association of Police and Fire Chiefs Saturday by Montreal's police director, Jean-Paul Gilbert.

President Nixon proposed last week to pour \$25 million into an all-out war against the Mafia and other underworld organizations.

"If this legislation is adopted," Gilbert said, "certain criminals are sure to find it prudent to get out of the country."

"We'll have to keep our eyes open."

The Montreal chief said in his keynote address to the convention that the situation in Canada's largest city is already bad enough.

From 1966 to 1969 more than \$254 million has been lost in fraudulent bankruptcies, "and that figure does not include the money lost in criminal fires," he said.

Holdups have more than doubled since 1966. There was abundant proof that Montreal crime is organized on a basis similar to that in the U.S.

Gilbert said the problem can only get worse unless some concrete action is taken immediately.

A first step is the opening in Montreal tomorrow of a new office directed against organized crime.

From the office in provincial police headquarters on Parthenais Street, RCMP, provincial and Montreal

police will be working together on records, identification and modus operandi of known criminals.

Police Lieut. Leo Talbot of Montreal, who heads the fraudulent bankruptcies squad — only one of its kind in the province — said little has been done to counteract this type of fraud since 1965.

The main reason was a lack of lawyers specializing in the field, needed to back up police work.

Lieut. Steve Olynyk told the convention how the protection racket, "a real social cancer," continues to thrive in Montreal.

The main problem was silence on the part of the victims, who fear reprisals if they go to the police.

"Extortion is the most hideous word in the dictionary," Olynyk said, "and we connect this word with the protection racket."

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Gilbert fears a foreign crime influx

— QUEBEC — (CP) — Montreal Police Director Jean-Paul Gilbert says the city can expect an influx of foreign criminal elements if the United States senate adopts a strong anti-crime bill. President Nixon has announced that the government would vote a supplementary budget of \$25,000,000 in a stepped-up fight against crime in the U.S.

He also announced a bill proposing protection for witnesses called to testify against criminal networks. "If this legislation is adopted certain criminals will undoubtedly find it safer to leave the country, and we will have to keep our eyes open," Director Gilbert told a seminar of the Quebec Police and Fire Chiefs Association at the weekend.

"Whether you like it or not, Montreal is a magnet for thieves and organized criminal rings."

Director Gilbert said that if necessary anti-crime measures were not taken in Quebec, the province could expect to see the establishment of organized crime on the same level as that in the U.S.

He called the creation of a co-operative research and information bureau for federal, provincial and municipal police "a big step in the fight against crime beginning in Quebec."

The establishment of the information bureau, which will open today was announced last week by Premier Jean-Jacques Bertrand.

MONTREAL GAZETTE APR 28 1969

ZH255-1

Newspaper clippings
concerning Joseph
Armeni, Leo Nicola
and Jimmy Di Maulo.

JK 23/5/69.

Gangland murder may bring more

Murder Montreal — style is again going full blast, and police expect at least four or five more killings to develop from the Allard slaughter a week ago.

The killing of Robert Allard, whose body was riddled with a dozen .38-calibre bullets in a daylight fusillade, was another milestone in the fight for control of crime and rackets in the Montreal area.

Police say it was the death of a potential killer-boss which may bring on more killings.

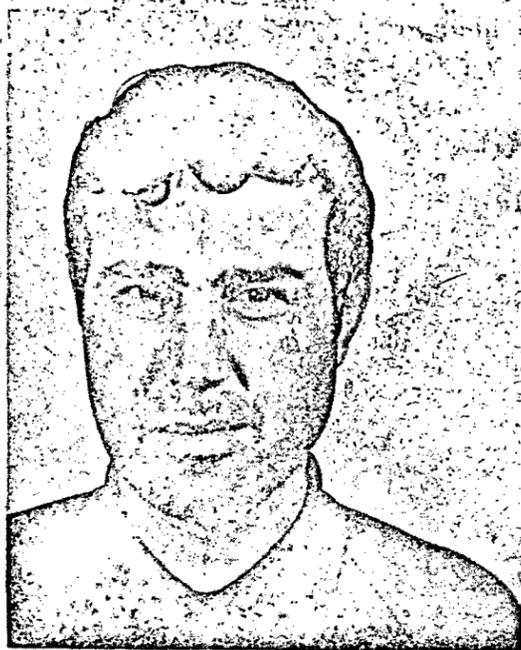
The main group, known to U.S. police as the "French-Canadian Crime Syndicate" or FCCS, now is believed to control most of the city's gang territories including the east and the south.

In a recent gangland struggle the FCCS won the right to supervise and collect tribute from the English-speaking west end, and for some years it has been exerting pressure on the central "Italian" gang territory.

The Allard killing is viewed as an offshoot of this rivalry.

Police believe the FCCS is out to destroy the operation of the "Italian" gang, which appears to feel there is enough money in such activities as lotteries, shylocking and gambling which do not provoke much public outcry.

The FCCS obviously believes that drugs, holdups, hijacking and crimes of violence are not outside its scope.



JIMMY DIMAURO

The syndicate lost 14 men in gaining control of the English-speaking west end, and estimates of the number of its victims range from 27 to 46.

Its open warfare started in 1967 against the west-end gang, made up mainly of Irishmen and making money on lottery tickets, shylocking and protection.

The deaths of Eric McNally, Susan Clark, Jimmy Collins, James McDonald and others followed, with a reported loss to the FCCS of such soldiers as Robert Creyer and Paul Penant.

Meanwhile, soldiers like Allard and Richard Blass, who escaped death himself on several occasions, were strik-

ing terror into the hearts of many Italian-Canadians, including a number who had nothing to do with the gangs.

One police officer told of the shooting of "young Giuseppe deMarco, a good 23-year-old youngster who had nothing wrong about him, but Allard considered him Italian."

"So Allard walked up to this boy when he was coming peacefully and quietly from a dance and gunned him down. The kid is paralysed for life. Allard won't even stand trial for the attempted murder, he is murdered himself."

In early May, informants say, word went out that certain places were going to have



JOE ARMINI

to pay "protection" to the FCCS whether they liked it or not.

Without any invitation two FCCS soldiers, Gilles Bienvenue and Andre Ouimet, visited the Petit Baril, a club owned by people of Italian ancestry.

No one saw who slaughtered Bienvenue and Ouimet. They were gunned down in the street after leaving the club. But Blass, now serving time for a holdup in Sherbrooke, and Allard took it as a personal affront.

They are reported to have vowed that "Some Italians will die for this."

The day after the Bienve-

nue-Ouimet killing, May 5, handsome Umberto Moretti was found dead on a St. Hubert Street parking lot, near a building in which a number of Italians have offices.

Two days later the FCCS got its answer. Robert LaRue, known as a "100 percent Allard man," paid a visit to the Petit Baril. He then went to a swank bar on DeSalaberry and there, in front of about 30 witnesses, was killed.

Not long ago, while relaxing in a local tavern, Allard whipped out a .38 and, according to witnesses, vowed to "put holes in any Italian who gets in my way."

His spectacular killing followed, and received wide publicity.

Allard was under police surveillance at the time, since police had been getting a steady stream of information from his own associates, who had become worried about his "mad dog" activities.

Charged with his murder are three "Italians," all reported to be without criminal records of any kind.

Jimmy DiMauro, 35, a married man with four children, was a tailor for 12 years until he sold his business to buy into the Petit Baril. He allegedly lost his interest in the club because of the harassment of the Allard men.

The others charged are Leo Nicola, 25, and Joe Armini, 30.



GILLES BIENVENUE



ANDRE OUIMET



ROGER LARUE



ROBERT ALLARD

Air Canada talks stalled again

Air Canada said Saturday the 20-day machinists, strike can not be settled until the union accepts a contract "within the limits of the economy and pattern of wage increases in Canada."

The airline, shut down since April 20 by the walkout of 6,300 machinists, issued a statement 24 hours after talks with the International Association of Machinists and

Aerospace workers again broke down over the issue of wages.

However, union negotiator Mike Pitchford said Saturday the union was willing to make some further wage concessions but did not elaborate. The union's most recent demand was for 23 percent over a two-year contract.

An Air Canada spokesman said the airline "regrets that negotiations have broken down. We are prepared to meet with the union or with a mediator.

"However," he added, "we can see no hope for a settlement unless the union is willing to accept that any agreement must be within the limits of the economy and the pattern of wage increases in Canada.

"The union continues to demand wage increases related to recent airline settlements in the United States. Air Canada cannot accept arguments which are based on situations in another country," he said.

He termed the most recent company offer "one of the most expensive packages ever offered by the company." It called for wage hikes of 15 percent over two years of 23 percent over three years.

The spokesman said Air Canada was "deeply concerned about the enormous losses and disruption caused by this strike. However, we cannot allow ourselves to be forced by strike pressure to pay wages which by Canadian standards cannot be justified

and which would jeopardize the future of Air Canada."

Labor Minister Bryce Mackasey was at his home in Montreal over the weekend, but there was no indication when, how or if he would enter this dispute. It seemed unlikely there would be any attempts at mediation before tomorrow.

The union announced, meanwhile, that first strike benefits would be paid to members tomorrow and Tuesday at regional strike headquarters here.

s.19(1)

Officer in Charge, Intelligence Unit,
Montreal.

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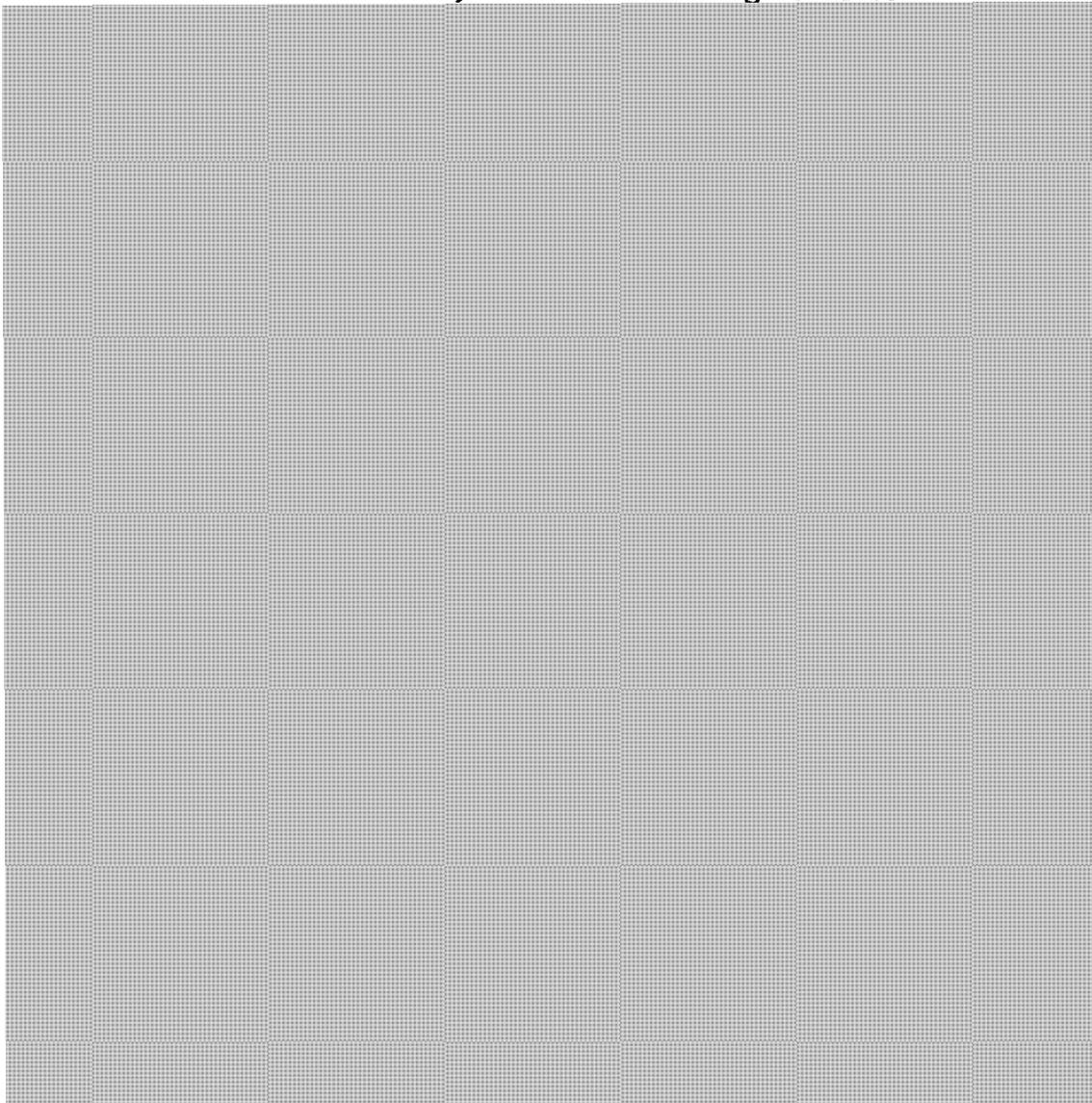
Chief Intelligence Officer,
Home Services Branch, Ottawa.

May 14, 1969.

Criminal Organizations - General.

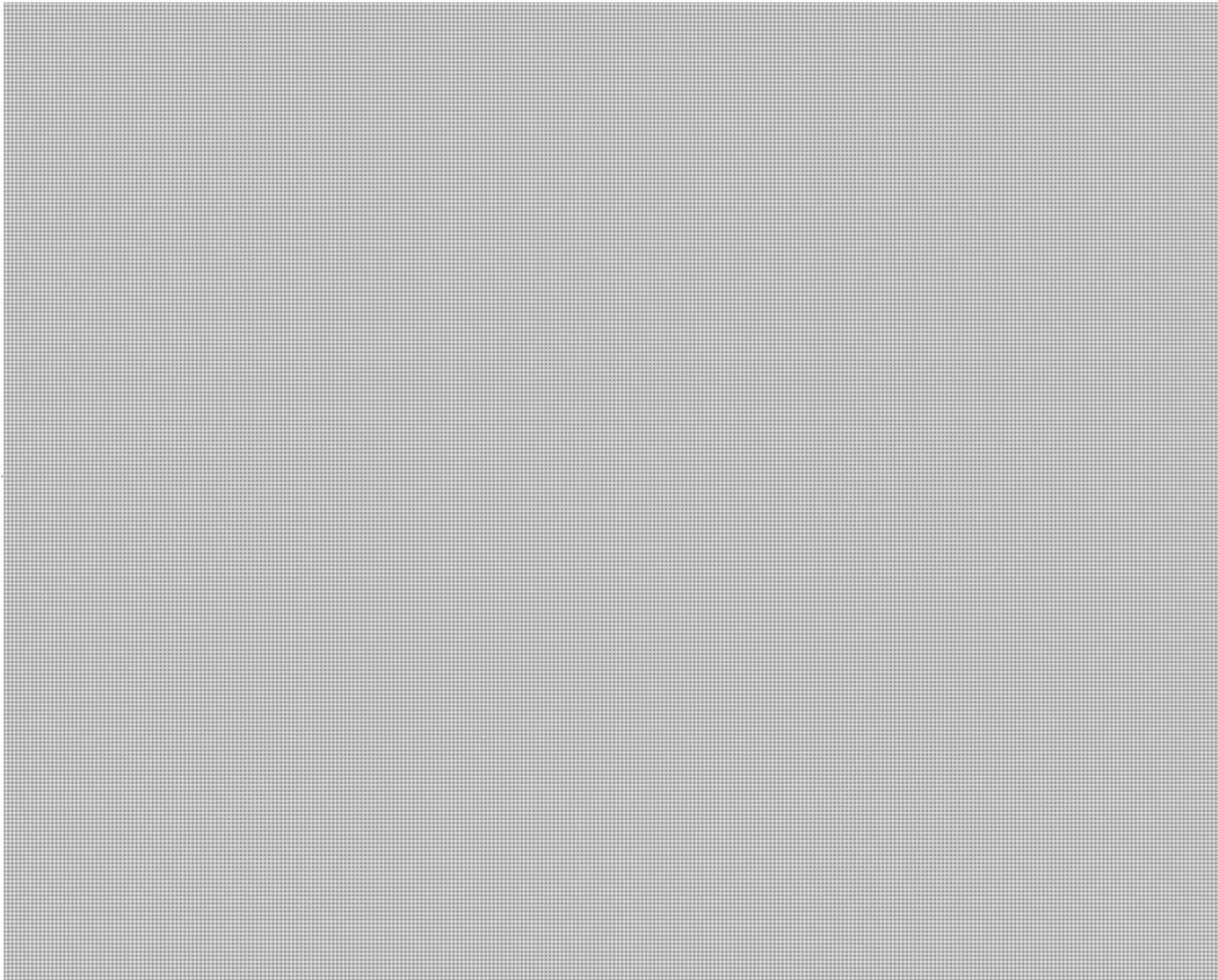
1. This refers to your memorandum of April 29, 1969, regarding the activities surrounding the Miss Italy of Quebec contest.

2. A search of the Immigration landing records and our own records has been carried out, with the following results:



s.19(1)

- 2 -



3. With the exception of the landing records for [REDACTED] all the others are being submitted as possibilities only, as the information available on these persons was limited to the name only.

encls.

**Pages 525 to / à 539
are withheld pursuant to section
sont retenues en vertu de l'article**

19(1)

**of the Access to Information Act
de la Loi sur l'accès à l'information**