

# Organized Crime Is High As U.S. Domestic Problem

By BERNARD GAVZER

WASHINGTON (AP) — With the end of the Second World War came the era of the crime explosion in the United States.

What you can see and hear of it is staggering. What you can't see is bigger. This is what Attorney-General Robert F. Kennedy and FBI Chief J. Edgar Hoover are talking about when they say crime ranks high among the country's major domestic problems.

The U.S. crime bill, says Hoover, now amounts to more than \$60,000,000 a day.

To most people, the word "crime" means violence. The murderer, the burglar, the sex offender makes a direct assault. His crime strikes close to home. The victim has a name. But this is only one part of crime. There are two other broad areas:

Big-time organized crime: non-violent, white collar crime. All have been on the rise. The evidence indicates that the greatest increase has been in white collar and organized crime.

### CITES CAUSES

Says Hoover: "We can trace our increasing crime rates today primarily to two malignant conditions — public apathy and moral deterioration or decay of our population."

And Kennedy comments: "The television quiz scandals of several years ago, the basketball scandals, the corruption The McClellan committee found in important parts of labor, management, and the bar; the revelations that members of the Denver police department were themselves operating active and lucrative burglary rings, and this after similar revelations in

Chicago; the corruption of public officials—all of this must be a source of sorrow and concern to every one of us."

Hoover and Kennedy have a special vantage point. Into their offices in the department of justice pours the daily story of breakdown in law and order. Bit by bit it comes together into an overwhelming picture. This is what they see:

A multi-billion dollar industry. The vice lords are no longer Al Capone-type loudmouths but shrewd manipulators who keep out of the public eye, wear banker's grey, send their kids to private schools and take European jaunts. They traffic in extortion, labor racketeering, narcotics, prostitution, bootlegging, gambling and anything else that can turn a profitable dollar. They have steadily invaded legitimate businesses.

**MORE POWERFUL** Organized crime, says Kennedy, is richer, more firmly entrenched, and more powerful than ever.

Because of its nature, white collar crime is the most difficult to spot. But there are ways to measure it.

The Surety Association of America represents firms which bond people in positions of trust. It estimates that \$1,000,000 a year is stolen by persons in such positions. This loss is nearly twice the amount caused annually in all known burglaries, robberies and auto thefts put together.

The Association of Better Business Bureaus says that schem-

ers—fast-buck operators of all sorts—take the public and every year for \$1,500,000,000 every year. It's done through such gimmicks as stock frauds, fake cures, various mail order dodges and so on.

Crimes against persons and property. These are the crimes that fill the police blotters.

**SERIOUS OFFENCES** The serious offences are murder, forcible rape, aggravated assault, burglary, robbery, larceny more than \$50 and auto theft.

One serious crime is committed every 15 seconds. Hoover points up the dimensions of the crime explosion by placing it alongside the population explosion.

Since the end of the war, the U.S. population increased by a little more than one-third.

In 1946, there were 331,893 known serious offences. In 1960, there were 1,861,300 — an increase of nearly 100 per cent.

In 1946, the crime rate (which is the number of offences a 100,000 population) was 66.5. In 1960, the rate was 1,037.9 — an increase of 96 per cent.

Who causes crime? Kennedy says all segments of society are involved, and adds: "No one group can point to another and say: 'There lies the fault.'"

"No one section of this country can say: 'We are clean. They are corrupt.'"

"No one financial or economic group can plead innocence."

## U.S. Spokesman At Ottawa Gives Views On Tariff Cuts

ST. JOHN'S, Nfld. (CP)—The United States assumes Canada will reduce tariffs to participate in freer trade moves by the United States and European Common Market countries, the second-ranking man in the U.S. embassy in Ottawa said here.

Willis C. Armstrong, minister-counselor at the embassy, told the Rotary Club of St. John's that American and Canadian cabinet ministers meeting earlier this month in Ottawa found the general economic condition of the two countries "basically encouraging."

He also said the U.S. wanted Canada to ratify the Columbia River development treaty "within the next few months."

Mr. Armstrong, basing his luncheon address on the principles of partnership which should apply to U.S.-Canadian relations, said one of the essential features of it must be "sincere and complete respect for one another's views."

### MUST CO-OPERATE

"A partnership is not successful unless the partners devote sincere and special attention to it and strive to make it a model relationship," he said.

The United States, in negotiating lower tariffs with the Common Market and in seeking drastic tariff cuts in future, intended to extend the benefits to all other friendly countries.

Thus Canada would stand to benefit incidentally from the negotiations between the United States and the Common Market envisaged by President Kennedy's program, just as it stands to benefit from the present negotiations between the U.S. and the Common Market under the regular tariff negotiating procedures of the General Agree-

ment on Tariffs and Trade. "The United States assumes that all countries which belong to GATT would wish to contribute suitably toward this end. "Canada will not fail to serve its own interests by full-scale participation in so important a movement toward expanded trade."

## Canada Steel Buying Firm

EDMONTON (CP) — Premier Steel Mills Ltd. of Edmonton Monday announced it has approved an offer to be made by the Steel Company of Canada Ltd. to purchase outstanding common Premier shares for more than \$10,000,000.

Dr. F. G. Winspear of Edmonton, Premier president, made the announcement following an annual shareholder's meeting, and said other details of the transaction would be announced later.

"More than 70 per cent of the shareholders have agreed to the sale of their shares at \$16 apiece," he said, "and we are confident the deal will go through."

"It is expected the offer will be mailed within a week or 10 days," he said, and the transaction completed by March 31.

### IMPORTATION ILLEGAL

NIAGARA FALLS, Ont. (CP) Two men were fined a total of \$275 and court costs Monday as a result of customs act charges laid by RCMP in connection with the illegal importation of juke box records.

## Ferry Terminal Plan Explained

OTTAWA (CP) — A government decision to make Argentea the Newfoundland terminal for a proposed new ferry service between Newfoundland and Nova Scotia was based on a detailed study by experts. It was reported Monday.

There have been criticisms from St. John's about the Argentea choice, announced earlier this month at the opening of Parliament.

A spokesman explained that an inter-departmental committee spent more than two years studying all aspects of the proposed ferry service.

Among the matters taken into consideration were harbor facilities, space available for new facilities, ice conditions and water depths.

One of the most important factors favoring Argentea, he said, was the shorter distance involved. The committee felt that motorists using the service wanted to use their cars as much as possible, particularly if they were tourists.

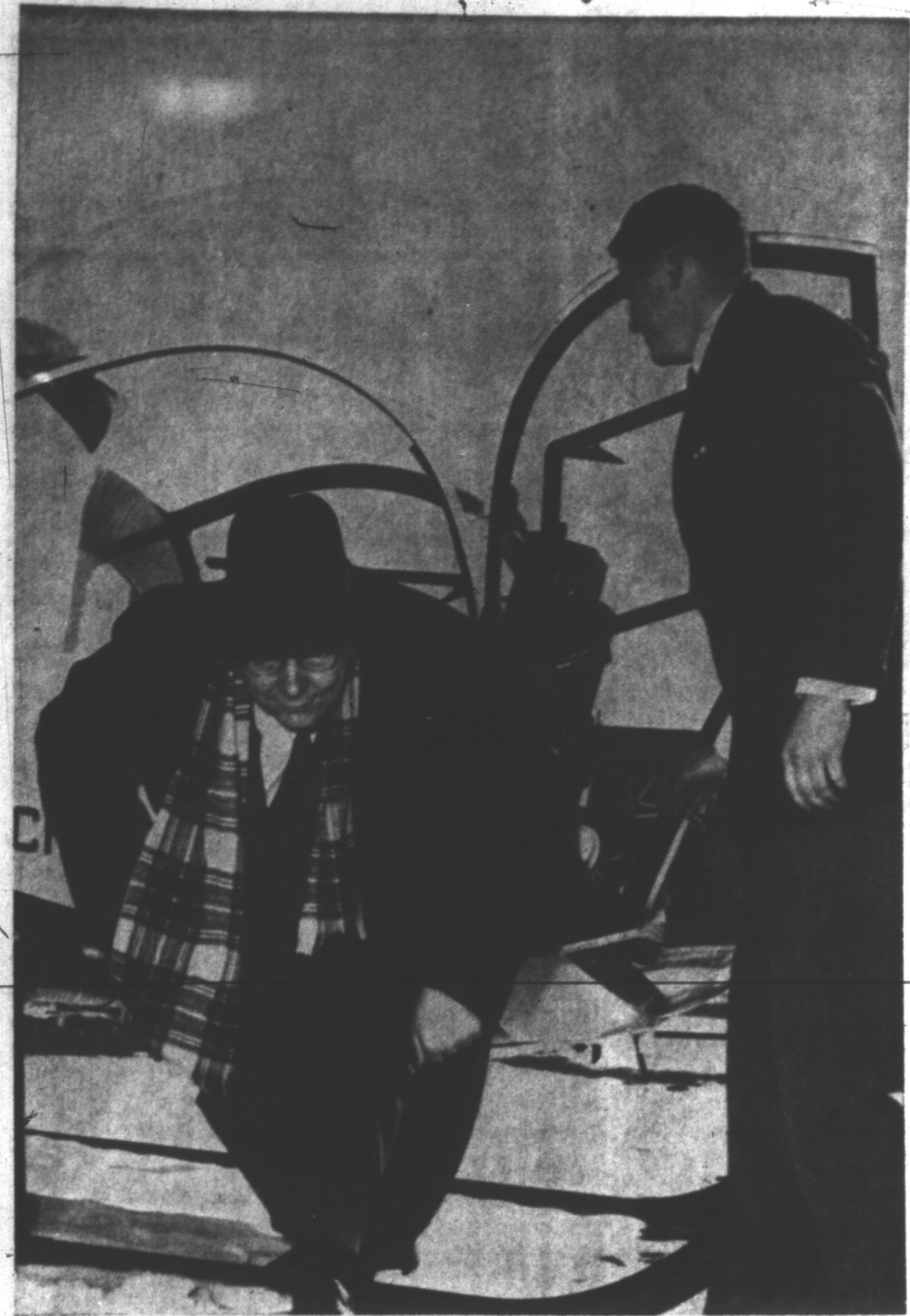
Top officials of the transport and works departments, along with experts from other government agencies, reported in favor of an Argentea terminal.

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PICKERSGILL TAKES NO CHANCES

J. W. Pickersgill, Member of Parliament for Bonaville-Twillingate, Nfld., played it safe when he stepped from a helicopter at the University

of British Columbia recently, ducking well below the rotating propeller although he had lots of head room. The helicopter took him to UBC,

where he started a B.C. speaking tour, from the airport shortly after he landed from Eastern Canada. (CP Photo)

# Commission Gives Backing To Railway Truck Plans

By ROBERT RICE  
OTTAWA (CP) — The MacPherson royal commission on transportation says Canada's railways should be allowed to expand their truck operations.

Stepping boldly into the railway-truck feud, the six-man commission said in the latest volume of its report that the railways should not be limited in their efforts to enter any other mode of transport.

That's fighting talk for Canada's "for-hire" trucking industry.

Truckers are generally opposed to rail entry in the high-way business, arguing that the railways with their overwhelming assets could throttle smaller independent truck operators.

The commission tagged two conditions on its rail-entry conclusion in the report made public last week:

1. That independent truckers get the same deal from the railways as rail-owned trucking lines in the use of piggy-back facilities.

2. That the Board of Transport Commissioners make sure the railways do not provide hidden subsidies from rail assets or income for their truck operations, or vice-versa.

**OWN BIGGEST FLEETS** Already, the commission noted, Canada's two big railways—the privately-owned CPR and publicly-owned CNR—are the largest owners of truck fleets in the country.

Answering truckers' fears that the railways could eventually gain a monopoly in the road haulage business, the commission said:

"With free entry, and the ever present possibility of private trucking, the structure of the trucking industry is such that effective monopoly in prices cannot persist. With competition thus, protecting shippers, the only other disadvantage of large-scale railway ownership of truck lines lies in the danger that it poses to independent truckers."

"This danger can only persist

if railway ownership is more efficient than either independent or private trucking. Efficiency should not be penalized."

The commission also found that federal subsidies to the railways, for whatever reason they are paid, tend to distort the over-all transport complex — holding back truck competition in many areas.

The commission proposed that some of the railway subsidies be abolished. Whatever subsidies are continued should be made available to all carriers, it added.

### ARRESTED IN RAIDS

SAULT STE. MARIE, Mich. (AP)—Eleven women and eight men were arrested here during the weekend in a series of vice raids. Those arrested were charged with operating of the queuing houses of ill repute. Nearly 75 raiders in plain clothes joined in the crackdown, called one of the Sault's biggest vice raids.

## HAIR SPRAY SPARKS BAN

WINNIPEG (CP) — The Manitoba government has put up "no smoking" signs in its new office building because of girls with "those pretty fluffy sweaters" and "lovely lacquered hairdos," a government official said here.

Elliott Wilson, deputy labor minister, told the Winnipeg chamber of commerce safety bureau the signs were erected because a man with a cigarette could easily get too close to the girls and set them on fire.

"Really!" exclaimed an agriculture department employee, who uses hair spray. "I doubt if I'd catch fire."

Beauty salon operators in Winnipeg also took a dim view of the ban.

"It's stupid," said one "The only time hair spray is inflammable is if you light a match while using the spray. Once it's on your head it won't catch fire."

One male government employee said: "Nonsense. We don't put our cigarettes out on their heads."

## New Protein May Combat Virus Ills

MONTREAL (CP) — Three University of Montreal scientists are engaged in research on a recently discovered protein that may combat virus diseases such as polio and influenza.

The three, Dr. Vitautas Pavilantis, Dr. Armand Frappier and Dr. Armand Boudreau, are believed to be the first in Canada to undertake studies of this substance, known as interferon.

Interferon is a protein produced by a body cell that has been invaded by a virus. It was named in 1957 by a team of British microbiologists who discovered that this protein can stop a cell from producing viruses. Dr. Pavilantis, chief of the virus section at the University of Montreal's Institute of Microbiology, said Monday the new protein may prove to be more valuable in preventing virus diseases than in treating them.

"Interferon is one of the most interesting substances discovered in recent years, because it acts against a virus and yet is not toxic (does not kill a cell)," he said.

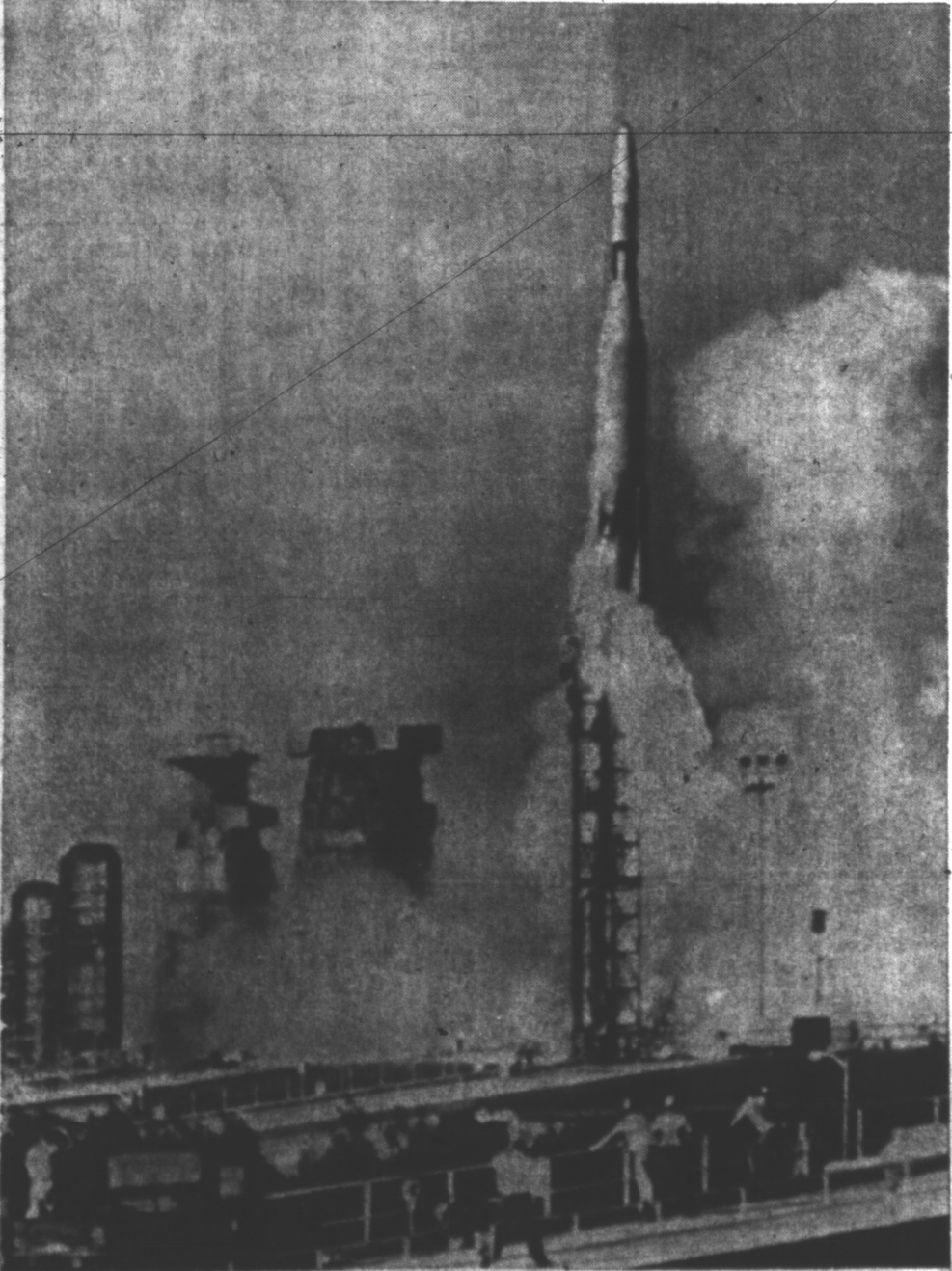
"All other substances hitherto used to control a virus have been toxic and so killed cells."

"To what extent interferon will attack a given virus, and how many viruses are sensitive to it, is not yet known."

The University of Montreal team is experimenting on mice infected with a certain strain of influenza.

### INVESTIGATE DEATH

COLOMBO (Reuters) — Ceylon has asked India and the United Arab Republic to each supply one person to help investigate the political aspects of the assassination of former prime minister Solomon Bandaranaike in 1959. C. P. de Silva, leader of the house, told Parliament that Mrs. Sirimavo Bandaranaike, Ceylon's prime minister and the former prime minister's widow, had written to President Nasser and Prime Minister Nehru asking them for their help.



MOON SPACECRAFT FIRED FROM CAPE

This is spacecraft Ranger 3 as it was fired from Cape Canaveral, Fla., in an attempt to land on the moon. Too much speed was attained and the

spacecraft missed the moon by some 22,953 miles, passing it Sunday at 3:23 p.m. at a speed of 4,183 miles per hour. The 727-pound rocket is ex-

pected to go into orbit around the sun. Ganties at left are used to launch intercontinental ballistic missiles from the Cape.

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