

*Order Paper Questions*

2. Was any loan guarantee authorized by the Minister in respect of the operations of Central Canadian Distillers Ltd. in the period 1967 to 1974 and, if so, on what date and in what amount?

**Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Regional Economic Expansion):** 1. (a) The \$603,911 Department of Regional Economic Expansion grant to Central Canadian Distilling Ltd. (Full title Central Canadian Distilling Corp. Ltd.) was paid in two instalments. The first payment amounted to \$468,334 and the final payment to \$135,577. (b) The first payment was made on September 30, 1971 and the final payment on September 14, 1973. (c) Approximately three months elapsed between the final payment by DREE on September 14, 1973 and the sale of Central Canadian Distilling Corp. Ltd. late in 1973.

2. No loan guarantee was authorized by the federal Minister of Regional Economic Expansion in respect to the operations of Central Canadian Distilling Corp. Ltd. in the period 1967 to 1974.

NATIONAL REVENUE—REGULATIONS GOVERNING SAVINGS  
USED FOR PURCHASE OF A HOME

**Question No. 1,156—Mr. Allard:**

1. What regulations govern the deduction for income tax in the amount of one thousand dollars in annual savings used for the purchase of a home?

2. What is the time limit for making a deposit which will be deductible for the tax year 1974?

3. Does this amount of savings deductible for income purposes depend on the (a) maximum (b) minimum revenue of an individual?

4. Does a person who has sold his property become eligible to the exemption when he purchases a new property?

5. What financial institutions will be recognized as agents for such transactions giving entitlement to this type of exemption?

**Hon. Ron Basford (Minister of National Revenue):** 1. The rules pertaining to the deduction from income tax for contributions to a "Registered Home Ownership Savings Plan" will be contained in subsection 146.2(4) and (5) of the Income Tax Act (as amended by Bill C-49 introduced by the Minister of Finance on December 20, 1974).

2. Taxpayers will have until March 1, 1975 to make a contribution to a Registered Home Ownership Savings Plan for the tax year 1974.

3. There is no reference in the proposed law to a maximum or minimum revenue of an individual contributing to a Registered Home Ownership Savings Plan. However in order for a deduction to be of use to a taxpayer, it would be necessary for the taxpayer to at least have one thousand dollars of taxable income for the year in respect of which the contribution is made.

4. In order for a person to be eligible to deduct a contribution to a Registered Home Ownership Savings Plan, he may not, at any time in the year for which the contribution is made, be the owner of a home in which he or any one else lives during that year.

5. Any company, resident in Canada, which is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee will be able to accept funds from a taxpayer for contributions to his Registered Home Ownership Savings Plan.

[Mr. McKinnon.]

## GRANTS BY CANADA TO OTHER COUNTRIES

**Question No. 1,163—Mr. Gauthier (Roberval):**

1. During the years 1965 to 1973 inclusive, have countries received gifts from Canada and, if so (a) how many (b) what was the value of such gifts?

2. Did such gifts come from (a) new estimates (b) the Consolidated Revenue Fund?

**Hon. Allan J. MacEachen (Secretary of State for External Affairs):** 1. (a) 21 countries; (b) \$64,650.

2. Funds were provided in Main and/or Supplementary Estimates and all expenditures charged to the Consolidated Revenue Fund.

## GARRISON DIVERSION PROJECT

**Question No. 1,193—Mr. Brisco:**

1. Can the government negotiate a halt to the U.S. Garrison River project?

2. Will the government negotiate a halt to the Garrison River project?

3. Should the government be unable or unwilling to negotiate a halt to the Garrison River project, is the government prepared to negotiate a revision to the Boundary Waters Treaty of 1909 to prevent future possible damage and/or pollution to Canadian lakes, rivers and streams and, if not, is the government prepared to draft or negotiate a new treaty that will provide protection for Canadian lakes, rivers and streams from pollution and/or other damage originating in the United States?

4. What was, or is, the formal reason put forward by the Department of External Affairs for allowing a period of approximately one year to elapse before writing a diplomatic note to Washington following receipt of a letter of concern over the Garrison River project, which was written to Ottawa by the Manitoba Provincial Minister of Resources, Mr. Sidney Green?

**Hon. Allan J. MacEachen (Secretary of State for External Affairs):** 1. The government remains confident that Canada and the United States can eventually agree to alternatives to the Garrison Diversion Project as currently envisaged that will avoid causing injury to health or property in Canada. At a meeting between senior officials of both governments on January 16 in Washington, the United States was again informed of Canadian concerns in this regard. The United States side reiterated its intention to abide by Article IV of the Boundary Waters Treaty which prohibits injury to health or property in the other country, and undertook to defer construction of all aspects of the project potentially affecting waters flowing into Canada until it is clear that this United States obligation is met. At this meeting progress was made towards a resolution of the issue that will satisfy Canadian concerns. Provided that the United States decides on alternatives to the present project which would not affect Canada, the project would become of purely United States domestic concern. In these circumstances, the government of Canada would have no further interest in the Garrison Diversion Project.

2. The government intends to negotiate a solution to the issue that will fully satisfy Canadian concerns.

3. As question 3 is hypothetical, no answer is possible at this stage. However, the Boundary Waters Treaty of 1909