

Oral Questions

since this action will seriously affect industry, large and small, along the South Shore of Nova Scotia, will the minister investigate this request by the CNR in the hope that this rail service will be continued in the area?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will take note of the hon. member's representation and look into it.

* * *

[Translation]

ADMINISTRATION OF JUSTICE**POSSIBILITY OF FEDERAL COMMISSION TO REPLACE QUEBEC CRIME COMMISSION**

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Justice and also wish him every success in his duties.

Now that the government has decided to allege before the Supreme Court that Quebec's crime commission, with whom the Royal Canadian Mounted Police and officials of the Department of Justice and that of the Solicitor General of Canada have cooperated for the last three years, sat and is sitting illegally, could the minister tell the House whether, in the event the Supreme Court agrees with that belated and astonishing allegation, he would be prepared to recommend the establishment of a federal inquiry commission on organized crime throughout the country to carry on the work of the Quebec commission?

[English]

Hon. Ron Basford (Minister of Justice): Mr. Speaker, our intervention in this matter was only at the level of the Supreme Court of Canada where, I think, the Attorney General of Canada is expected to intervene. I have indicated that in the event that the position put forward by the Attorney General is the correct one, I am ready, willing and eager to discuss with the minister of justice of the province of Quebec alternatives to make the kind of inquiry under question properly and constitutionally well based.

[Translation]

KNOWLEDGE OF MINISTER OF PROCEEDINGS BEFORE QUEBEC CRIME COMMISSION WHEN FEDERAL GOVERNMENT INTERVENED

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I have a supplementary.

Can the minister confirm to the House that, at the time of his intervention in the inquiry on organized crime, the inquirers had already heard, in camera, and intended to hear publicly, a testimony involving well-known political organizers, members of a patronage system relating specially to the Loto-Quebec concessions and the granting of licences from the Quebec Liquor Board?

[Mr. Crouse.]

[English]

Hon. Ron Basford (Minister of Justice): No, Mr. Speaker.

THE CANADIAN ECONOMY**FREEZING OF DIVIDEND PAYMENTS—GOVERNMENT INTENTIONS WITH REGARD TO DIVIDENDS IN EXCESS OF LIMIT**

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the Minister of Finance. Under the recently published anti-inflationary guidelines as they appear on page 24 of the white paper it appears the dividend payments are to be frozen at last year's level. Aside from wondering why dividends should not be subject to the same 10 per cent guidelines and other relevant guidelines as other forms of compensation, especially for the elderly who had the good sense to look after their advancing years, I am moved to ask the minister whether this means that company earnings are henceforth to be confiscated by the Crown should those earnings surpass the limits permitted under the guidelines.

Hon. Donald S. Macdonald (Minister of Finance): The hon. gentleman will be able to examine the procedural nature of this, but in general terms we feel that with regard to corporate dividends as with regard to certain other types of income, for example corporate profits, to put them at the level at which they have been in recent years is not doing them an injustice. We would be arriving at an agreement with all sectors of the community if it could be made clear that those who are owners of such property would be sharing in the restraint program.

* * *

ENVIRONMENTAL AFFAIRS**DATE OF SIGNING OF OKANAGAN WATER BASIN AGREEMENT**

Mr. G. H. Whittaker (Okanagan Boundary): My Speaker, my question is for the Minister of the Environment. In view of the promise that the minister made when she was visiting the Okanagan in mid August that she would sign the Okanagan water basin cost sharing agreement within two weeks, I would ask her now when she is going to sign it?

Hon. Jeanne Sauvé (Minister of the Environment): Mr. Speaker, I did not promise to sign it within two weeks. I said I was expecting it could be signed within two weeks.

Some hon. Members: Oh, oh!

Mrs. Sauvé: I understand there are still some problems and it will be signed shortly.

Mr. McCain: Mr. Speaker, I rise on a question of privilege. I think the answer to my question by the Solicitor General would be somewhat misleading and I am sure the minister does not wish to mislead the House or the public. It is my understanding that there is agreement between the minister and his counterpart in general as to the construction of a penal institution in the province of New