

the fact that Cominco has reported a first quarter profit increase of 174 per cent and Sherritt Gordon 180 per cent and the fact that the president of Sherritt Gordon attributes this to unreasonably high prices on the world level for certain resources, does the right hon. gentleman now intend to extend the two-price system to resources affected by high prices at the international level?

Right Hon. P. E. Trudeau (Prime Minister): I will stand by the position taken by the Minister of Finance in response to a question of this type a few days ago.

INCREASE IN DIVIDENDS, INTEREST AND BUSINESS SERVICE CHARGES—POSSIBILITY OF LEGISLATION TO END PROFITEERING

Mr. Lorne Nystrom (Yorkton-Melville): I have a supplementary question for the Minister of Finance. In view of reports this morning that in the first four months of this year dividends have increased by 35 per cent, and since the majority of these payments are going to non-residents, as well as increased interest charges and business service charges, could the minister say whether or not he intends to introduce legislation to end this type of profiteering?

Hon. John N. Turner (Minister of Finance): That four-month report is not completely conclusive as to the trend, but this will be one of the over-all subjects to which I shall wish to address myself when I am thinking of what I should say in the budget speech.

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[Translation]

POST OFFICE

POSTAL WORKERS' STRIKE—PROGRESS OF NEGOTIATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I direct my question to the Postmaster General.

Does he have a statement to make to the House about the postal strike?

Hon. André Ouellet (Postmaster General): Mr. Speaker, the parties are pursuing their discussions this afternoon; a meeting was held this morning and there will be others this afternoon with Mr. Taylor.

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● (1440)

[English]

ENERGY

ELECTRICITY—POSSIBILITY OF SUBMARINE POWER CABLE TO PRINCE EDWARD ISLAND TO REDUCE COST

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Prime Minister and it relates to a question I asked him about a month ago in respect of rapidly increasing electricity costs in Prince Edward Island, the recent energy agreement and in particular the

Oral Questions

proposed construction of a submarine power cable. He indicated at that time that he had instructed further discussions to take place on this matter. Is he now in a position to make an announcement in respect of a decision or does he expect a decision shortly in order that some hope might be given to Prince Edward Islanders regarding their high electricity costs and the likelihood of even more increases in the future?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on the more fundamental aspects of this question, we are awaiting the outcome of the election to pursue the discussion, hopefully with Premier Campbell.

Some hon. Members: Hear, hear!

Mr. Trudeau: But on a related matter, Mr. Speaker, I am informed that Premier Campbell will be making an announcement in the next couple of days relating to a subsidiary matter on which we have already agreed regarding the transportation of electricity.

Mr. Speaker: Order, please. The Chair will recognize the hon. member on a supplementary. I believe the hon. member for Wellington-Grey-Dufferin-Waterloo has a supplementary to a previous question and I will come to him immediately afterward.

Mr. MacDonald (Egmont): Mr. Speaker, I have a supplementary question in respect of the agreement to be announced shortly. Can the Prime Minister indicate whether any actual feasibility or engineering studies have been done with regard to a submarine power cable or whether such studies will be commissioned shortly, and when there might be some report from those studies in order that some final decision might be made?

Mr. Trudeau: Mr. Speaker, I am informed that this is the very matter which will be the subject of an announcement by Premier Campbell within a very few days.

Mr. MacDonald (Egmont): Mr. Speaker, I have one further supplementary question. Can the Prime Minister give the House some idea as to when there might be, and there is no pun intended, a concrete decision in respect of the actual cable itself, because that is the operative question in this whole matter?

Mr. Trudeau: Mr. Speaker, I think this is a repetition of the first question to which I answered that there would be an announcement relating to the second question, which is surely preliminary to the concrete action to which he has referred. There have to be research and feasibility studies, and because this is a joint agreement I would not want to be any more explicit today in the House but will wait until the time that both the province and the federal government agreed to.