

them to work in Canada to build housing for people that people need, at a price they can afford, and create jobs for Canadians who are currently unemployed?

Hon. Ed Lumley (Minister of State (International Trade)): Madam Speaker, the hon. member is still incorrect with regard to the amount of money set aside for the nuclear reactor in Mexico, as I have indicated to this House on several occasions. At the present time the Export Development Corporation is looking at a possible \$12 billion to \$13 billion worth of projects which it is asked to finance, and never at any one time knows exactly what it is going to be financing in the immediate future. So the hon. member is basically incorrect in his assumption.

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FINANCE

HONOURING OF INCOME TAX REFUND CHEQUES BY WESTERN BANKS

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, I have a question for the Minister of National Revenue. I and several of my colleagues have received repeated reports to the effect that income tax refund cheques are not being accepted and honoured in banks in western Canada. Can the minister tell me whether that is a reflection of the serious financial position the government is in, or does he know of any other factors that would explain the banks caution with respect to cashing government cheques?

Hon. William Rompkey (Minister of National Revenue): Madam Speaker, this is the first time I have heard that accusation. As far as I know, we can make good on any cheques that we issue.

Some hon. Members: Oh, oh!

An hon. Member: As far as you know?

Mr. Rompkey: The cheque for the hon. member for St. John's East is in the mail! We will honour our cheques, Madam Speaker.

REQUEST FOR INVESTIGATION

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, I will, of course, supply the Minister with information I have received from several banks refusing to cash income tax refund cheques. There must be some other factors involved. At least today the minister assured us that the government cheques can be honoured. There is no guarantee, of course, for tomorrow. Will the government undertake to investigate this matter and provide us with a reason why the banks should be so cautious in this matter of honouring these cheques?

Oral Questions

Hon. William Rompkey (Minister of National Revenue): Well, tomorrow is Saturday, Madam Speaker, and the banks are not open, of course.

An hon. Member: So the government is safe until Monday.

Mr. Rompkey: If the hon. member will provide me with the names of the banks and the managers and the phone numbers, maybe I could call them and talk to them myself.

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THE ECONOMY

LEVEL OF INTEREST RATES

Mr. John Gamble (York North): Madam Speaker, my question is for the Minister of Finance. Just a few moments ago he indicated that the easement of interest rates in the United States is fundamental to economic recovery in Canada. Given that situation, surely he appreciates that the easement of interest rates in Canada is fundamental to economic recovery in this country. If that is the case, why does the minister not instruct the Governor of the Bank of Canada to stop forcing interest rates up in order to prop up the falling value of the Canadian dollar?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, there is no need to issue that direction, because the Governor of the Bank of Canada has not been following the course of action which the hon. member alleges; and certainly that course of action was not followed yesterday.

FOREIGN AID EXPENDITURES

Mr. John Gamble (York North): Madam Speaker, we know that the effect of the endeavour to increase interest rates in Canada has not in fact supported the declining value of the dollar.

Yesterday the Minister of Finance asked in this House whether members would give him specific illustrations of items in the estimates which might be reduced so that those funds might be available for other purposes, and he said that members consistently failed to do so. I have already raised in this House the issue of the very substantial expenditure on foreign aid, \$1.742 billion, and asked the minister's colleague whether he would refer the matter of the quantum of foreign aid to the Standing Committee on External Affairs and National Defence for a quantum analysis. Having regard to my raising this issue again, would the minister refer that matter to the standing committee for a quantum analysis to determine whether that amount might be reduced and reallocated to some useful purpose in Canada?

● (1140)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as far as I am concerned the hon. member has picked the wrong item because I