

Mr. Ouellet: Mr. Speaker, I would like the city of Toronto to knock first at the door of the provincial government: that is the first thing it should do. In the meantime, the federal government will always be ready to assist municipalities. In the past we have done so quite brilliantly in many respects.

Some hon. Members: Hear, hear!

Mr. Ouellet: It has been said by some hon. members of this House, particularly members of the official opposition, that the federal government ought not to infringe upon provincial rights. We have indicated that we are willing to do away with some of the programs which were previously in existence. Now that people realize the federal government is ready to take a less important role in municipal projects, people are thinking twice: they are thinking that the federal government was not so bad in doing what it was doing after all.

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[Translation]

NATIONAL REVENUE

INQUIRY WHEN OFFICE WILL BE ESTABLISHED IN SHAWINIGAN SOUTH, QUEBEC

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the Minister of Finance, and that because of the absence of the Minister of National Revenue who is sitting in the Senate.

In view of the government program to decentralize administration by setting up regional offices for the various departments with a view to better serving the people, can the minister tell the House when the Revenue Canada office is to be officially opened at Shawinigan South which was mentioned recently in news bulletins over the radio and also in the newspapers?

Mr. Yves Demers (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I am taking note of the question of the hon. member and shall advise him as soon as possible.

INQUIRY WHETHER DECENTRALIZATION WILL IMPROVE ADMINISTRATION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, on a supplementary.

As the Parliamentary Secretary to the Minister of National Revenue was kind enough to answer my first question, I shall put a second one to him.

As all the ministers are concerned with better serving the people, will the fact that regional offices are being opened by the Department of National Revenue throughout Canada help to better serve the taxpayers on the one hand, and ensure

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greater income to the government on the other hand, thus helping the Minister of Finance to balance his budget?

Mr. Yves Demers (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the main purpose is not so much to collect more revenue, because I believe Revenue Canada offices have been very efficient in that regard in the past, as to help the people in all parts of Quebec as well as Canada to get to know the Canadian government better, and to give jobs to the people throughout Quebec.

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● (1427)

[English]

FINANCE

GOVERNMENT INTENTIONS RESPECTING USE OF EXCESS CASH ON DEPOSIT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As a result of the dramatic moves made in the United States today with respect to their economy, putting that nation into a relatively tight money situation with the federal discount rate going up a full point, would the minister indicate what the government plans to do with their excess cash on deposit, the \$5.5 billion that they have on deposit at the present time? Do they plan to use that cash in a way to let it run down, as opposed to borrowing on our domestic market; or do they in fact plan to do what the minister has represented to some people, to use it to hold the dollar down roughly to the 85-cent, 86-cent level?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I do not want to speculate on the movement of the dollar. I think that the announcements made in the United States this morning were quite dramatic. I am following the situation very closely. I do not want to speculate, because everybody is aware of the fact that the stock markets in the United States and Canada fluctuate up so far during the day.

Any move which the United States takes to stabilize their economy has to be welcomed by Canada because our economies are so interrelated. So far, the effect on Canada has been positive. I do not want to add to the situation at this time.

Mr. Stevens: Mr. Speaker, the one thing that we do know is that there is no speculative nature in the fact that we will have higher interest rates than we have ever experienced.

Two weeks ago I pointed out to the minister that the bankruptcy rate in Canada was now seven in relation to every ten in the United States, whereas ten years ago it was one in relation to ten in the United States. At that time, I asked the minister if any specific measures had been taken to relieve the lot of the small businessman in Canada who must live with these high interest rates to the detriment of his well-being. The minister indicated that he would take the matter up with the governor of the Bank of Canada, who in turn would speak to