

months ago I made a very specific inquiry about the status of Space Research Corporation and he gave assurances at that time, by letter, that as far as he knew this corporation was quite all right. I should like to ask him today, in view of the questions raised and recent developments, whether that assurance still stands.

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I have no reason to change the answer I gave at that time, subject to whatever the investigation of the Solicitor General might disclose, if anything.

* * *

[Translation]

THE CANADIAN ECONOMY

ROLE OF CHARTERED BANKS IN DEVALUATION OF CANADIAN DOLLAR

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put a question to the Minister of Finance.

As accusations have been made against certain American banks which are now the object of an inquiry by the United States Securities and Exchange Commission; as those accusations involve banks which force the decline of the dollar by selling huge quantities of dollars and buying them a few hours later, making profits through tax evasion achieved by selling the dollars through their Parisian office to a branch in the Bahamas where the tax rate is lower, so the dollars come back from the Bahamas at a higher rate after having evaded French taxes; as Canadian chartered banks have many branch offices in the Caribbean, can the minister tell the House whether or not he is considering holding an inquiry into the activities of our chartered banks with regard to the devaluation of our dollar?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I have had the opportunity of discussing that problem with the governor of the Bank of Canada as well as the inspector general of banks. I asked them whether or not the same thing could have occurred in Canada. They assured me they did not think it had. The inspector general of banks told me, however, that he would look into the matter further. For the time being, I have no reason to believe the problem could have arisen in the case of Canadian banks.

Mr. Allard: Mr. Speaker, the minister informs me that he has asked the governor of the Bank of Canada. I would like to know if in fact he is investigating now or if the minister is prepared to go further in his inquiries?

Mr. Chrétien: Mr. Speaker, the banks of Canada have a supervisor called the bank superintendent who communicates with them. I raised the matter with the superintendent who told me he was investigating. His preliminary report indicated that he had no reason to believe that there were undue

Oral Questions

interventions by the banks of Canada to have the Canadian dollar fluctuate.

Mr. Allard: Mr. Speaker, could the minister inform the House on when we will have the results of those investigations?

Mr. Chrétien: Mr. Speaker, I shall have an answer if the inspector found something abnormal but up to date there is no indication of any problem in his preliminary report.

* * *

● (1427)

[English]

SHIPPING

PETITION ON SAFETY STANDARDS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I want to direct a question to the Minister of Transport: it arises out of a very serious issue between his department and Canada's largest seafaring union, the SIU, centering around the question of safe-manning regulations at sea.

The union has charged that there is an inadequacy of regulations and rules and that this is a result of the government having left to the companies the identification maintenance of such safety standards. Is the minister in receipt of this petition, and has he responded to it? Could he indicate whether or not the government, his officials and the appropriate branch of the department are satisfied or otherwise with respect to safe-manning regulations on ships at sea?

Hon. Otto E. Lang (Minister of Transport and Minister of Justice): Mr. Speaker, the particular issue has been brought to my attention, and in a preliminary way I was given the information that this was an approach consistent with our approach in other areas with respect to inspection and licensing. We quite often depend upon the participant operators to assure that standards are met from time to time and then determine by assessment, occasionally, that they are, indeed, carrying out their responsibilities. I am having the matter looked into further. That is as far as I can go at this time. But the preliminary assurance was that this system was working well.

Mr. Forrestall: Mr. Speaker, I am not sure that I want to interpret or put words in the minister's mouth, but are we to take from what the minister has just said that he is personally satisfied that there is, in fact, a system of regulations with respect to safe manning in effect at sea which negates any serious question of danger to ships, crews, life and property? Is that what I understood him to say? If it is, when can we, on the basis of that, expect him to reply in some detail to the petition which has been forwarded to him by members of the SIU?