

Finance

disbelief in the face of the financial hemorrhaging we were then experiencing, again repeated: "When you have a floating dollar, you have a floating dollar". It has not floated since last November, and if the minister did not know or if he still does not know that, he should not be the minister. There was no other stop-gap solution available except to arrange a new line of credit, except this time it had to be a new line of credit from foreign sources. Perhaps this is an indication that even Canadian banks have dried up against this incompetence.

Meanwhile, back at the ranch, what was happening in the House of Commons, the place this minister says he loves so much? Last week the latest rush was started by the minister when he told us our dollar still floated and that there was no intervention. The market itself knew it was being massively buttressed. With that type of deceit or incompetence—it has to be one or the other—the market finally grasped the measure of this man.

The Minister of Finance lost the confidence of the trading community. He finally did it last week, and the run was on again. On Monday afternoon, the day before yesterday, in this House at the very moment the minister was again saying there was no intervention and in spite of the fact that the American market was closed because it was Washington's birthday, in three places, London, Toronto and Montreal, the Bank of Canada was forced to transfer a total of \$65 million from the reserve in a vain attempt to slow down the drain. The minister obviously misled the House on Monday afternoon.

Now we come to yesterday, Tuesday. With the opening of the market in New York after the long weekend the run accelerated. Any confidence that this minister was capable of telling the truth—or conversely, and even worse, not even knowing what was going on—completely evaporated in the western European and North American money markets. Why? The feeling was accelerated when, with horror as a reaction, again the Dow Jones tape indicated the ministerial equivalent of "When you have a floating dollar, you have a floating dollar".

The implication was that there was no intervention by the Bank of Canada in the market and that there was no intervention by the Canadian government in the market. That was the implication, and the market knew the minister was lying. They knew he was lying.

Some hon. Members: Oh, oh!

Mr. Lawrence: Even worse: intentionally, deliberately overtly and openly the minister misled this House yesterday afternoon.

Mr. Douglas (Bruce-Grey): We will take that up tomorrow.

Mr. Lawrence: At 2.15 p.m. on Monday, February 20, 1978 in the House of Commons, as recorded at page 3004 of *Hansard*, we find the following question by the Leader of the Opposition (Mr. Clark) and answer by the minister:

Is it the intention of the government to draw on that stand-by credit in the foreseeable future?

[Mr. Lawrence.]

HON. JEAN CHRÉTIEN (MINISTER OF FINANCE): The answer is no, Mr. Speaker.

At 6.59 p.m. on February 20, at the press gallery of the House of Commons, approximately four hours later—

● (0052)

Mr. Stollery: Mr. Speaker, I rise on a point of order. I want to ask the member to clarify some point. Is he calling the minister a liar?

Mr. Baker (Grenville-Carleton): Let him complete his speech.

Mr. Lawrence: I think even the hon. member for Spadina will appreciate the implication of what I am saying if he will just be patient.

The Acting Speaker (Mr. Ethier): Order, please. I recognize the hon. member for Spadina on a point of order.

Mr. Stollery: Mr. Speaker, it is most unparliamentary to call someone a liar in the House of Commons. There are other members here who are more knowledgeable than I, but if the hon. member is saying what I think he is he should clearly indicate it. Mr. Speaker, you may have to rule on it.

Mr. Baker (Grenville-Carleton): Mr. Speaker, on the same point of order, what the hon. member says, has said, and will say, will stand by itself without any assistance from the hon. member for Spadina. I think he should be allowed to complete his speech.

The Acting Speaker (Mr. Ethier): Order, please. There might be an inference, but surely it does not constitute a point of order. A point of privilege can be raised and brought at a later date, but it is not a point of order.

Mr. Lawrence: Let me just repeat it then, if the hon. member cannot understand what I am saying. On February 20 in this House the question was clearly asked of the minister whether "it is the intention of the government to draw on that stand-by credit in the foreseeable future". Unequivocally the Minister of Finance said "No". At 6.59 p.m. there was a press gallery release stamped "Received Ottawa, February 21, 1978" marked "For immediate release" from the information division of the Department of Finance in the name of the Minister of Finance. I quote the last few words of this release:

—the government would shortly be making a drawing under the revolving stand-by credit facility arranged last October with the Canadian chartered banks.

On the one hand the minister says there is no intention to draw on the stand-by credit. Later in his name the release is issued stating the government will "shortly be making a drawing". I say, sir, with outright duplicity like that, with a short but disastrous history of absolute inaccuracy in almost every public utterance he has made on this subject since taking over his portfolio, this Minister of Finance has not only lost the confidence of the international money market—whether the hon. member for Spadina likes it or not—but the minister has