

Oral Questions

REQUEST FOR ACTION ON BEHALF OF CONSUMERS

Hon. Edward Broadbent (Oshawa): Madam Speaker, I want to ask the minister again why he does not do something to stimulate the economy and to help Canadian consumers by negotiating a price downward movement instead of an upward one? Will he tell the House that the real reason he is not willing to act for consumers but is willing to act for oil companies is that the oil companies have literally given hundreds of thousands of dollars in the past decade to the Liberal Party?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, my hon. friend must be scraping the barrel and really running short of arguments. First of all I should like to tell him that getting that industry going will create jobs in the country, not only in Alberta but all over the country. It is not by running any particular industry into the ground that my hon. friend will create jobs, despite all his rhetoric and despite what the CLC may say. The money which has been given, or the concessions which have been made by the government of Alberta are quite significant, as he indicated. We, the Government of Canada, have made some adjustments yesterday to the tune of over \$2 billion. Most of that money will not go to the multinationals; it will go to small Canadian companies. Most of them are Canadian companies. These are the companies which will be helped.

Some hon. Members: Hear, hear!

Mr. Lalonde: Most of that money will go to those companies in the next 18 months when the Canadian economy needs stimulation. That is what we have to do to help job creation in the country, and not do as the NDP would do and scrape the barrel.

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THE ECONOMY

DECLINE IN EXCHANGE VALUE OF DOLLAR

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Minister of Finance. Today the Canadian dollar dropped to the lowest level in recorded history in reference to the American dollar. This drop in the dollar represents a total lack of confidence in the Canadian economy. Despite the minister's efforts last week at increasing our interest rates while American rates went down, despite his massive influencing of the market, with the Bank of Canada today at noon bidding heavily against the drop, where are we going in the country with confidence? Will the minister tonight, or this afternoon, request the unanimous consent of the House to speak on motions to outline to the people of Canada where we might be going?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has made some reference to the Canadian dollar. I think it is worth pointing out to him that what is happening is basically not a

general weakening of the Canadian currency in international currency markets. The Canadian currency is rather strong in comparison with other currencies, apart from the United States dollar. I should point out to him, so that he will keep the matter in perspective, that at the present time the American dollar is at a five-year high in relation to the Japanese yen and the German mark which are regarded as rather strong currencies. The Canadian dollar against the American dollar is performing better than most other currencies on international markets.

Mr. Blenkarn: Madam Speaker, the minister knows that at noon today the Bank of Canada was using massive amounts of our foreign exchange to prop up the Canadian dollar.

REQUEST THAT MINISTER MAKE STATEMENT ON MOTIONS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, will the minister confirm that he has or has not drawn on our credits with American banks to support the dollar? In other words, will he come clean with the people of Canada and tell us where we are going? Will he do that on motions tonight, after the markets have closed, to give the country some sense of confidence?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I believe the hon. member is doing his utmost to create a lack of confidence in the Canadian currency and its performance.

Mr. Crosbie: You do not need any help, Allan.

Mr. MacEachen: If there is any source of uncertainty, it is coming from the lachrymose comments of the hon. member at the present time. I have confidence in the Canadian dollar. It is not the intention of the Government of Canada to encourage a devaluation of the Canadian currency. He ought to look at what is happening in international currency markets at the present time. He ought to realize that the American dollar is strengthening against all currencies, including the Canadian dollar. When he puts that in its proper perspective, I hope he will withdraw the rather fearsome comments he has made in his last two questions.

MINISTER'S STATEMENT IN COMMITTEE

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is also directed to the Minister of Finance. He may have confidence in the Canadian dollar, but Canadians do not have any confidence in him. One of the reasons is his own track record. Yesterday in the Standing Committee on Finance, Trade and Economic Affairs the minister announced that he would be borrowing billions of dollars more to cover the deficit. I asked him specifically whether that news would depress the Canadian dollar, and he said that it would not. Given the fact that the dollar is dropping like a stone, how could the minister be so wrong?