

Currency Devaluation

Mr. Lang: We believe in doing these things on the basis of encouraging Canadians to take a certain course of action and not on the basis of falling back on restrictionist controls and power devices such as the Clark Tories suggest. That is not our policy. Our Liberal policy is to be as free and open in our society and our economic endeavours as it is possible to be.

Mr. Crosbie: Like freedom of information in Saskatchewan.

An hon. Member: Get an injunction, Otto.

Mr. Lang: Hon. members opposite, Mr. Speaker, were glad to hear the Leader of the Opposition quote Mr. Earle McLaughlin, although I am sure they did not like what he said a few weeks or months ago when he also indicated how firm his belief was in the basic soundness of our economy. Perhaps they would like to hear the last group of quotes which have come into my hands. Mr. Powis, president of Noranda Mines, said:

One of the most striking things about the meeting—

He was referring to a meeting of businessmen.

—was the degree of optimism, more than most of the forecasts.

The *Financial Post* said:

Canadians rank remarkably high in affluence in a world more troubled than we. The time has come in other words to count blessings.

Mr. Laurent Thibault of the Canadian Manufacturers' Association said:

You talk to any company you want to, they're growing, markets are good, inventories are lean, profitability is improving, they can compete.

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The president of the Hudson's Bay Company, Donald McGiverin, said:

The economy is pretty darn good really.

Canadian Business Magazine wrote:

The fact is we're still operating one of the most successful economies on earth.

The facts are there, Mr. Speaker. In the face of those facts the Leader of the Opposition is not sure today whether he wants a stronger dollar, a higher dollar or a lower dollar. His colleague, the hon. member for York-Simcoe has given us some advice about what level he thinks is right. The truth of the matter is that the dollar will reflect in part the judgment of the day of traders in currency and traders generally in this country.

I pointed out earlier that in that complex of figures in relation to trade and in relation to the balance of accounts it is also true that wild statements and rumours made by spokesmen in the opposition can have their impact as well. They cannot have lasting impact because they will be exposed, but they can have that impact which is the most serious—which causes a sudden surge up or down in the currency. A stable currency is obviously relatively to be desired at whatever level it may appropriately be.

Where ought our Canadian dollar to be? I said earlier it was generally agreed that prior to the November 15, 1976 election of the Parti Québécois it was overvalued. It is generally agreed

[Mr. Crosbie.]

now that on all terms, and related at least to that very fact of a separatist government, it is undervalued.

Mr. Alexander: I was told that separatism was dead.

Mr. Lang: The most important thing is for us to confirm what the hon. member for Hamilton West (Mr. Alexander) has just said about separatism being dead—

Mr. Alexander: That is what the Prime Minister (Mr. Trudeau) said.

Mr. Lang: —in the sense that it is in hand and under control.

Hon. members opposite and the Leader of the Opposition smile. They do not realize that the Parti Québécois was not elected because it said it was going to separate from this country and was determined to do so. It could only get elected because of the strong feeling of federalism in the province of Quebec. It was only elected after it gave up that plank and turned instead to a referendum on independence. That was changed to a referendum on sovereignty association because René Lévesque hoped that people in Quebec might be sucked in by those words; but the only person he seemed to suck in was the Leader of the Opposition who did not know how serious those words were.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please, order. The Minister of Transport (Mr. Lang) has the floor.

Mr. Lang: Why can one say with confidence that separatism will not succeed in this country?

Mr. Gillies: Because we are going to have a new government.

Mr. Lang: There are some who would say it in terms of a question of the force of power, but that is not the way we talk. The reason one can say that the strength of federalism exists and is strong in the province of Quebec and other provinces is because of the long, determined efforts by this government to lead a right thinking majority of Canadians along the path of understanding the needs of the minority, whether it be in regard to their culture, in regard to Atlantic regional development, or whatever. That is what will sustain our federalism and this great Canada of ours.

It is only this continued understanding, this continued searching out of the rights and needs of the minorities and the sensitive understanding of their needs, which will prevent the cause of any kind of separatism from growing. It is that kind of understanding which we have seen in the governments of this country, particularly after the challenge became visible and real from the province of Quebec, the kind that we saw in the leadership given by Prime Minister Pearson in searching out the causes and the answers to the problem. We have seen it