

promise, with all his charm, well liked in all quarters of the House, coming here in 1974 with two budgets in one year and placing double taxation on the resource industries, a move which flattened out one of the most important segments of our economy. And all because the civil servants at the federal level were mad at civil servants at the provincial level and said, "If you guys are going to tax too much, we shall make the tax non-deductible." Turner destroyed politically not only himself but the party to which he belonged by yielding to this type of nonsense from the civil service.

There was another man I recall, one of the fastest readers in this House. He had been briefed and he regurgitated that brief sounding like a high speed phonograph. He brought into this House, in 1974, the Petroleum Administration Act, and got it passed after a long, long debate in this chamber. That act was the first major attack by the government on the rights of the provinces to own, control, and use their own resources. It began a confrontation between the federal government and the provinces which is far more serious than the so-called fight over language.

I put it to you bluntly, Mr. Speaker, that the sins of the government have not all been committed within the last six months. It is a lame duck government, and if members do not know what a lame duck is, I invite them to look at American history. The minute the people know that a government is no longer effective, no more attention is paid to it. Over the years I have noticed this, and I have tried to be helpful.

● (1602)

I do admit that there are certain things governments cannot discuss in public. Matters of security and matters of finance have to be kept within the confines of the Privy Council and the senior civil service. I do not relish the position of the Minister of Finance (Mr. Chrétien) when he cannot divulge certain things. It is his right and his duty to keep certain things to himself. However, at the same time certain things happen, and it would be helpful to be able to talk them over with somebody besides our own advisers. Walter Gordon, once a minister of finance, recognized this, and he brought in outsiders from the business world. His only mistake was that he did not get rid of them soon enough before he brought in his budgets.

I have thought over and over again that as these difficult decisions have to be made by a minister of finance—and one cannot in all honesty and efficiency tell the country what is being done until it has been done—it would be awfully nice if he could discuss some of these problems with his counterparts in the Privy Council outside his own party. Some of these problems are not political. The interest of the country is at stake, and I suggested in a press release over a year ago that it would be smart, and good common sense if the Prime Minister would take advantage of the Queen's coming to Canada, name the Leader of the Opposition as a Privy Councillor, and use him.

I went further and pointed out that because of the vast experience of the hon. member for Nanaimo-Cowichan-The

Borrowing Authority Act

Islands (Mr. Douglas) and of the hon. member for Winnipeg North Centre (Mr. Knowles), and because of their long service, they should be given the Privy Council oath, and then the government could discuss with them some of the problems it is facing but cannot tell us about in the House. The government at least knows what the problems are, and these men would be bound by the Privy Council oath to keep quiet about what they are told until the proper time. This system is used in times of emergency in the United Kingdom and in other Commonwealth countries. We are not exactly in an emergency situation now, but we are very close to it in this lame duck period.

I use the example here of the floating dollar. When dealing with our country's exchange, we cannot tip our hand on what we are doing. The Minister of Finance was quite right in saying that Canada's interest demanded a floating dollar. The minute he said that, he told the world that it could judge us and our economic health by buying and selling our dollars as it thought wise for its own good, but as far as we were concerned the dollar was floating, period. Then the speculators were working one against the other, and they would have given us a stable dollar, but when civil servants monkey around and use hundreds of millions of dollars to interfere with a floating dollar, it is called a dirty float. Every speculator in the world then knows he has a pigeon on the stove, and world speculators roast that pigeon.

Neither Canada nor the United States has enough money to buck international speculators. Not only are tens of billions of Eurodollars looking around for a quick buck, but now there are tens of billions of oil dollars trying to make a quick profit, and any government in the world, bar none, should be smart enough not to tangle with international financial speculators. They have too much money in this floating crap game.

We have taken a beating, and we have tried to get around this by doing the worst thing possible, going abroad to borrow money to speculate in our own currency. The new generation will have to pay for the debts which will cost us heavily not only in interest payments each year but also because of the fact that those debts did not achieve anything. World speculators were told that they had a pigeon on the stove and that they should really take that pigeon to the cleaners. We were cleaned thoroughly, to the extent of several billions of dollars.

The reason I speak today about the floating dollar is that the same thing happened to the Canadian government in 1962. We decided to float our dollar. We did not know where it was going to go, but we did not interfere with it until the spring of 1962 when civil servants in the Department of Finance began to play the same game on our minister of finance which the present group is playing on the present Minister of Finance. We did not last very long in that game. We did not have enough money, and we had to bow on our knees to the International Monetary Fund. We had to bow to the Americans and to the British, and we accepted a pegged dollar. Fortunately for us we pegged it at about the right level and stopped speculation for a number of years, but when I see the same mistake being repeated by a government 15 years later, I wonder what amount of study and reading it does.