

*Oral Questions*

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

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### FINANCE

#### CONDEMNATION OF MINISTER'S POLICIES—MOTION UNDER S.O. 43

**Mr. Thomas Siddon (Richmond-South Delta):** Madam Speaker, given the persistent attempts by the Minister of Finance to whitewash the government's dismal performance by chastising the United States for not bringing its deficit under control and for failing to bring interest rates down, and whereas the United States federal deficit is presently about half as large per capita as Canada's, U.S. mortgage rates are well below those available in Canada, and our dollar has crashed to less than 80 cents U.S. today. I move, seconded by the hon. member for Scarborough East (Mr. Gilchrist):

That the Minister of Finance be condemned for his skulking deceit in not having the decency to distinguish between President Reagan's successful attempts to cut taxes, to cut government spending and to restore incentives to private investors in contradiction to the failed experiment in MacEachenomics which translates into higher taxes, increased government squandering, and an outright attack on the integrity of Canadian business.

**Madam Speaker:** Is there unanimous consent for this motion?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

• (1415)

## ORAL QUESTION PERIOD

[*English*]

### THE ECONOMY

#### EXCHANGE VALUE OF DOLLAR

**Mr. Don Blenkarn (Mississauga South):** Madam Speaker, you have before you some motions under Standing Order 26 which you will deal with later today, so my questions are directed to the Minister of Finance.

The minister will know that, one way or another, he spent about \$1 billion last month propping up the dollar, at least another \$225 million yesterday, and goodness knows how much today. He will know, from looking at the market, that his \$750 million U.S. bond issue on the Euro-dollar market is now selling at a discount rate to yield 15 per cent. Can he tell this House what plans he has as Minister of Finance to improve the climate of confidence that the world might have in Canada?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, the hon. member has related his question to changes in the international currency

market, and has talked about changes in the official reserves. I think I should point out to the hon. member a fact which ought to be borne in mind, namely, that yesterday and in preceding days the Canadian dollar did weaken against the United States currency. But that is not a phenomenon unique to Canada. Most other OECD currencies weakened against the American dollar, which has been very strong because of high interest rates in the U.S. That is the cause of the situation affecting Canada and other countries.

Yesterday the hon. member was making quite a number of dire predictions about the fate of the dollar. I should remind him that even though the dollar went through 80 cents early this morning, by noontime it had made a significant rebound to 80.34 cents.

**Mr. Crosbie:** How much did that cost you?

**Mr. Broadbent:** How much did you spend?

**Mr. MacEachen:** That shows how careful the hon. member ought to be in making these unjustified predictions.

#### REQUEST FOR STATEMENT OF POLICY

**Mr. Don Blenkarn (Mississauga South):** Madam Speaker, to keep the minister up to date, at two o'clock the dollar was 80.22 cents. We in this party would like to see a strong dollar. We would also like to see some action by the minister to improve the climate of confidence in Canada. Therefore I ask the minister when we might have a new financial statement of the aims of this government. We hope it would include some effort by the government to lessen the restrictions on foreign investment in Canada which would improve the climate of confidence for Canadian investors, and give entrepreneurs an incentive to invest in Canada so we can make it grow again and Canadians can have jobs again. When will the minister give us that kind of a statement? When can we have a new financial presentation from the government?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, when the government decides it is appropriate to make a financial statement, then of course I will be glad to tell the House about it. However, I should tell the hon. member that if he is again linking the necessity for a statement by the Minister of Finance to currency movements, then presumably he will be urging the President of France, the Chancellor of West Germany, and the Prime Minister of Britain also to make statements in their countries, because each of those currencies have had precisely the same experience as the Canadian dollar has had in the last two days.

The hon. member should understand that this is a phenomenon which is being forced on all the currencies of the major industrialized countries as a result of the strength of the American dollar, which in turn is the result of very high interest rates in that country which are having such a very