

Unpegging of Canadian Dollar

Some hon. Members: Agreed.

Some hon. Members: No.

Some hon. Members: They wouldn't let him.

An hon. Member: Carry on, Ben; go ahead.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this evening we have heard a lot of words and one or two ideas. It has rather astounded me that the Leader of the Opposition (Mr. Stanfield) is now assailing the government in its fight against inflation. I should think that this man who a few months ago was saying each day, "What are you doing to fight inflation?" should at least indicate some sympathy for the government's problems in dealing with this very important matter. This is the same Leader of the Opposition who was against the Prices and Incomes Commission. It seems to me that he often cried "Wolf" with no constructive ideas whatever to offer to the government. Tonight he has done the same thing. How would he fight inflation? Is he in favour of price and wage controls? Is he in favour of guidelines? Can the man who said he was against the Prices and Incomes Commission be in favour of guidelines?

It rather seems to me that the constructive ideas that have come out of the Conservative Party tonight have come from a very strange source—from the hon. member for Prince Edward-Hastings (Mr. Hees). He presented two ideas and said that what we really should do to offset the change in value of the Canadian dollar is take the \$250 million and give it to business and, in addition, we should subsidize business a little more. This is at a time when just a few days ago people in his party and all parts of the opposition were saying, "What are you going to do about the poor, the people who are suffering from inflation?"

Sometimes it seems to me that the Leader of the Opposition is like a deuterium plant that produces nothing. He appears to try to be a great fighter of unemployment, but I would ask people to indicate to me what constructive suggestions he has made on how to fight unemployment. He wants the government to announce changes in the exchange rates in the House of Commons on orders of the day so that speculators can make a million dollars, which is astounding to me—

Mr. Stanfield: Who said that?

Mr. Benson: In your speech; I am sorry if you were misinterpreted.

Mr. Stanfield: You certainly did.

Mr. Benson: You certainly indicated I was not entitled to change the existing rate because I did not say on orders of the day that the government has decided—

Mr. Stanfield: What I said was that in response to a question on Wednesday the Minister said the government was not considering this matter.

Mr. Benson: That is quite true.

Mr. Stanfield: That is right; that is what I said.

Mr. Benson: That is right. I said the government was not considering it; I did not say that I was not considering it. I said the government was not considering it. The government considers things when they are presented to the cabinet. That is the time that the government makes decisions. The Leader of the Opposition is saying that he wants a game plan for the financial and economic position of Canada produced in the House of Commons on orders of the day. It is impossible to do that.

• (11:40 p.m.)

I am not ashamed of the government being flexible in its fiscal and monetary policy, in its fight against inflation. Other countries have tried the game plan. They found that it does not work. I do not have to give much more lead than that for my hon. friend to know that people who have tried the game plan have been far less successful than we in Canada.

I wish to quote some comments that appeared in the *New York Times* with regard to Canada's move with respect to the exchange rate. I believe that this paper is now on the streets of New York. I quote from an editorial:

—Canada's move should have important educational value for other countries with undervalued currencies—In fact, a more flexible exchange rate system adopted by all nations could prevent the growing wave of protectionism from wrecking the international market for goods and capital which took so long to rebuild after the depression and world war two.

The world's finance ministers and central bankers, a notoriously conservative group,—

The word conservative is with a small "c".

—would be extremely ill-advised to try to persuade the Canadians to abort an experiment with