

*Oral Questions*

**Mr. Baker (Grenville-Carleton):** God help us.

**Mr. Hees:** That is just too much to expect.

**Mr. Trudeau:** I do not know if the hon. member for Prince Edward-Hastings thinks he is on camera, but he is not.

**Some hon. Members:** Hear, hear!

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## FINANCE

## ACTION TO STABILIZE CANADIAN DOLLAR

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is for the Minister of Finance, but first I would like to congratulate the minister—if that is the proper expression—on becoming the fourth Minister of Finance under the Prime Minister. In that connection I point out that they seem to be falling quicker and quicker, one after the other.

My question is based on our rising unemployment, coupled with rising inflation, having apparently intensified world concern with respect to the Canadian dollar, as evidenced by the decline of the Canadian dollar still further today under heavy pressure. Would the minister tell the House what instructions he has given to the Governor of the Bank of Canada with respect to stabilizing our dollar?

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker, I would like to thank very sincerely the sixth critic of the Tories on financial affairs.

**Some hon. Members:** Hear, hear!

**Mr. Chrétien:** Sometimes they need two at a time. I do not know what kind of government they would form if the people were to make that mistake.

I have not given any instruction to the governor of the bank with regard to the Canadian dollar. The Canadian dollar is a floating dollar, and it is the market place which will decide where the Canadian dollar should be. That is the policy of the government, and I have not given any specific instruction to the governor of the bank. We are following the situation very carefully, but I think that the hon. member should be more moderate in his statement. He throws out figures, but everyone knows that we do not know exactly the amount of money that is used in that type of trading.

**Mr. Stevens:** If the Minister of Finance does not know what number of dollars are being used in trading, he is one of the few in the market place who does not.

**Mr. Chrétien:** I do, you don't.

**Mr. Stevens:** As our United States dollar exchange reserves have declined \$500 million or an estimated 20 per cent so far this month—all gone in defence of our dollar—will the minister explain how he reconciles such massive intervention on the

[Mr. Trudeau.]

part of the Bank of Canada with what he has called today a floating dollar?

**Mr. Chrétien:** I do not think I can agree with the statement made by the hon. member. The governor of the bank is not intervening with regard to the floating of the Canadian dollar. The Canadian dollar is floating in the market place.

**Mr. Stevens:** A final supplementary again to the Minister of Finance, Mr. Speaker. Surely, the Minister will not disagree with Dr. Hood, an official in his own department, who, based on evidence given by him before a committee of this House, has indicated that the 13-cent fall in our dollar so far will result in 4 per cent inflation in the next two years. Would the minister indicate if he is content to see still further devaluation of the Canadian dollar, bearing in mind that such devaluation will mean more inflation and ultimately more unemployment?

**Mr. Chrétien:** Mr. Speaker, there are some advantages to having a lower dollar. For example, I am very pleased to report to this House that we are improving our export performance very much and will have a major surplus on the export of Canadian goods abroad. In doing that we are creating more jobs.

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## THE CANADIAN ECONOMY

## UNEMPLOYMENT—REQUEST FOR CLARIFICATION OF PRIME MINISTER'S STATEMENT SITUATION EXAGGERATED

**Mr. Edward Broadbent (Oshawa-Whitby):** Mr. Speaker, I have a question for the Prime Minister. The Prime Minister referred to bland statements and as we all know, he is the expert. Considering that he said just a few days ago in London, Ontario, that "unemployment is not as bad as some people out there want to pretend it is," and said even more recently that the reason we have such a high level of unemployment is that Canadians have gone soft, and considering that we have more than one million people unemployed, and according to his government's figures only 43,000 jobs are listed as being available in the economy which means there are 15 people applying for every job out there, would he mind explaining for the edification of the House what he meant when he said in London that unemployment is not as bad as some people out there pretend it is?

**Right Hon. P. E. Trudeau (Prime Minister):** Yes, Mr. Speaker, I intend to do that in a speech in this House the day after tomorrow.

## ACTION TO CREATE JOBS—REFERENCE TO PRODUCTIVITY OF CANADIAN WORKERS

**Mr. Edward Broadbent (Oshawa-Whitby):** A supplementary question, Mr. Speaker. I should like to thank the Prime Minister for his smiling, bland answer to a very important question. More specifically, because part of the implication, presumably, of his assertion that he made about Canadians