

*Finance*

co-operation of the provincial governments, but of the municipal governments and the Canadian people. It may not be the easiest two or three years, regardless of what government is in power.

It will require one other thing. I say this with all sincerity. If the opposition parties sincerely believe in our Canadian style of government, our Canadian way of life, and believe that this country has a future, the way to express that is not to say that we are on the edge of an abyss.

**The Acting Speaker (Mr. Turner):** Order, please. I regret to interrupt the parliamentary secretary but his allotted time has expired.

**Mr. Harvie Andre (Calgary Centre):** Mr. Speaker, this afternoon we were treated to the annual medicine show by the President of the Treasury Board (Mr. Andras). At that time I did not know it was only the matinée performance. Tonight we have the comedy acts. The hon. member for Comox-Alberni (Mr. Anderson) would have us believe the devaluation of the Canadian dollar is a marvellous thing. Now we can buy Canadian bananas cheaper than foreign bananas, and Canadian coffee cheaper than foreign coffee. It sounds as though it was a master plan by this brilliant government.

One can, of course, forgive the hon. member. He has been taking notes and learning from the Minister of State (Fitness and Amateur Sport) (Mrs. Campagnolo) who had the same thesis. They think it is wonderful that our dollar is being devalued. They believe it is having a marvellous impact. Listening to their speeches, one would think that if we could get the dollar down to a nickel, we would all be millionaires, flooded with Canadian coffee and bananas and other good things.

It is funny in one sense, but tragic in the other. It is not so tragic in terms of the hon. member for Comox-Alberni or the Minister of State (Fitness and Amateur Sport) because they do not really matter a hill of beans with regard to what happens there or anywhere else. However, it is tragic in terms of the Minister of Finance (Mr. Chrétien). During the debate tonight he contributed absolutely nothing in terms of plans, policies, programs, or even an acknowledgement of the seriousness of this crisis.

In his opening remarks the Leader of the Opposition (Mr. Clark) asked the Minister of Finance five very important questions. I will repeat them. When were the banks formally or informally advised as to the government's intentions to draw down the line of credit? What will the rate of interest be on the borrowing and what will be the means of repayment? When will be the time of repayment? Was the minister advised, did he consent, or was he asked with regard to the Bank of Canada's action which started Monday afternoon? What level will the dollar not fall below? What is the dead bottom level at which time the government will step in?

Those five very reasonable and important questions were put by my leader because of our interest and concern in this question. What did we get in return? We got flim-flam from the Minister of Finance. He either does not understand the

[Mr. Anderson.]

crisis, does not care about it, has no respect for the House of Commons and the people of Canada, or was simply making his contribution to the evening performance of the medicine show.

The Minister of Finance told us there is no crisis. He used specious arguments, picking selective dates to indicate there is no crisis. Previous speakers from my party, the hon. member for York-Simcoe (Mr. Stevens) and the hon. member for Don Valley (Mr. Gillies), demonstrated the ignorance of the argument put forward by the Minister of Finance.

There is a serious crisis, a crisis of confidence. The international money markets are saying they have no confidence in the Canadian dollar. That is the message of the slide.

The Minister of Finance says the Bank of Canada has been intervening to keep an orderly market. Well, Mr. Speaker, when you intervene to the tune of \$1 billion, \$500,000 in the month of February alone, it is not to keep an orderly market. It is to prop up the dollar.

**Mr. Baker (Grenville-Carleton):** It is a salvage operation.

**Mr. Andre:** Yes; not keeping an orderly market. When you are keeping an orderly market, you are buying and selling in order to remove fluctuations. You are not continually using our reserves of foreign currency, currency which the Bank of Canada cannot print. They can print Canadian currency and use that to finance this government's operations, but they cannot print foreign currency.

They have run out of foreign reserves. We have had to go to the international money markets to make use of the bank line of credit. Now we have to borrow abroad. That action by the Bank of Canada, necessary though it may be, is not a solution to the problem. It is a dressing, merely a band-aid. It may stop the hemorrhage, but it will not heal the wound.

This crisis of confidence will not go away as a result of this type of intervention. It will not go away as a result of current economic plans by the Minister of Finance and this government. It certainly will not go away as a result of the minister ranting and raving irrelevant and erroneous critiques about suggestions made by members of my party.

The international money markets are telling anyone who cares to listen the same thing the American money markets told the city of New York two or three years ago. The international money markets are telling Canada, "Your house is in disorder. We do not have confidence you are managing your affairs. Get your affairs in order." That is the message and that is the crisis in confidence that is occurring. Only a ship of fools would ignore a message like that. It is tragic that this ship of fools who are guiding the ship of state at this time refuse or are unable to heed this message being directed at them by the international money markets.

You do not have to search too far in the Canadian economy to find this. The Canadian dollar is being devalued with regard to foreign currencies in exact proportion to the degree of inflation in Canada with respect to these foreign currencies.

**Some hon. Members:** Oh, oh!