

[*Translation*]

I don't want to suggest that the minister should not answer the question put by the hon. member for Témiscamingue, but we should try to go on to something else and perhaps come back to it later on.

[*English*]

The Minister of National Health and Welfare has the floor for the moment.

Mr. Munro: Mr. Speaker, the fact is that the increase in pensions will benefit the elder spouse in the example the hon. member quoted; the spouse under 65 will not benefit from the increase, of course. It may be that the province will use this increase to deduct what they would otherwise pay the spouse under 65, but I hope that will not be the case.

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FINANCE

LEVEL OF CANADIAN DOLLAR—GOVERNMENT POSITION RESPECTING POSSIBILITY OF DOWNWARD MOVEMENT TO EQUALITY WITH U.S. DOLLAR AND MAINTENANCE OF CLEAN FLOAT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Minister of Finance. In view of the fact the Canadian dollar reached a value on the spot market yesterday of \$1.0103, would the minister advise the House whether he shares the optimism of his predecessor that the Canadian dollar, following the negotiations of last fall, would move downwards to become equivalent to the United States dollar? Would he also advise the House whether it is the intention of the government to have the Bank of Canada maintain a clean float with regard to the relative values of the Canadian and U.S. dollars, notwithstanding the fact that his figures disclose that there was an intervention of about \$500 million in the foreign exchange market in order to participate in a so-called clean float?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, to deal with the \$500 million first, that money was purchased from the exchange fund during the latter half of 1971 previous to the Smithsonian agreement of December 15 last year when the world money market was in a state of disorder and we felt we had to protect the dollar at that time. Since then, the dollar has been allowed to float cleanly.

Mr. Lambert (Edmonton West): In view of the difficulties that are imposed upon Canadian exporters by the ever-increasing value of the Canadian dollar, will the minister advise whether he shares the confidence of his predecessor that the policy of the Canadian government would not affect Canadian exports adversely?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the budget measures, particularly the corporate tax reductions for manufacturers and processors, had as one of their purposes to protect them against any movement in the Canadian dollar.

LEVEL OF CANADIAN DOLLAR—NATURE OF FLOAT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to put a question to the Minister of Finance or the Acting Prime Minister. It arises from the admission just made by the Minister of Finance that the float was not clean prior to the Smithsonian agreement. To what extent can we rely upon the assurance given by the government, which has insisted consistently that the float was a clean float all along, when we now learn that it was only clean since a certain date?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. We are obviously getting involved in the debate which I gather we are to have later this afternoon, but the minister might reply briefly and then we will try to get on to another subject.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, nothing that the hon. gentleman has suggested in his statement deprives me of the validity of an answer that during the relative chaos of the international monetary market between August 15 and December 15, every country in the world took steps to protect its currency. That was the only time we had to intervene in any appreciable way to protect the dollar—

Mr. Speaker: Order, please. I will recognize the hon. member for Nanaimo-Cowichan-The Islands shortly, but we have had so many supplementaries from the beginning of the question period that we are not moving along very quickly. For the moment, the Chair will recognize the right hon. member for Prince Albert.

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FLAGS

RED ENSIGN—REASON FOR DELAY IN ANSWERING QUESTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, since March 28 I have been waiting for an answer to starred question No. 446 concerning the red ensign.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I see the Parliamentary Secretary to the Prime Minister ridicules the red ensign by his interruption. I ask why there has been such difficulty getting an answer to that question?

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, the right hon. gentleman wanted to know how many flags were left in the country under the control of my department at a certain time. I presume that my officials are busy counting flags and I expect we will have an answer by next week. We want the reply to the question to be correct and exact.

Mr. Diefenbaker: Mr. Speaker, is the reason for the delay the fact that many red ensigns were put to the torch, or burned at the stake?

Some hon. Members: Oh, oh!