

Adjournment Debate

10 months of 1991, which took place despite substantial declines in domestic short-term interest rates and in the differential with U.S. rates. Since its peak in November, however, the dollar has lost more than 5 cents, or 5.5 per cent, vis-à-vis the U.S. dollar.

While the government does not have a target for the exchange rate—indeed, it cannot have one if we are to have an independent monetary policy—the value of our currency is clearly important and is monitored closely. Large swings in the exchange rate on a daily basis are not desirable because they create uncertainty and hamper our economic and trade performance. As a result, the government has instructed the Bank of Canada to intervene in foreign exchange markets in order to avoid large and abrupt swings in the value of the currency. Official exchange market intervention is designed to provide this very short-term stabilizing influence in exchange markets. It operates both when the dollar is subject to upward pressure as downward pressure.

Mr. Speaker, I would still have plenty to say, but I understand that my time has expired.

[*English*]

UKRAINE

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on February 7 I asked a question of the Deputy Prime Minister concerning the liabilities and assets of the former U.S.S.R. It is a very important question for those former nations that are now the independent states.

The answer was that this question was being discussed on an ongoing basis within the aegis of the G-7 countries.

• (1810)

On August 24, 1991, Ukraine declared its independence. On December 1, 1991, the people of Ukraine voted to ratify that declaration.

Canada acted very quickly in recognizing Ukraine as an independent state. However, since that time the government has been dragging its feet. As yet we have no ambassador, our mission is temporary, and Ukrainians wishing to visit Canada are still facing bureaucratic road-blocks.

This lack of will is even more obvious when compared to the United States and Germany. They have established full diplomatic relations with Ukraine.

The Department of External Affairs is still advising Canadians wishing to travel to Ukraine to obtain visas

from the office of the former U.S.S.R. when it is well known that Ukraine has indicated that it will issue visas at the port of entry.

I would like to ask the parliamentary secretary to address as well the issue of Canada's position on the liabilities and assets of the former U.S.S.R.

The Prime Minister of Ukraine, Mr. Fokin, had invited the creditor nations of the former U.S.S.R., the International Monetary Fund, and the World Bank to a conference which was held in Kiev on February 18 to discuss the problem of the partition of the liabilities and assets of the former U.S.S.R.

Canada did not have a delegate there. The International Monetary Fund and the World Bank decided to boycott this conference.

Is this decision made in support of Mr. Bush's new world order, or is Canada no longer master of her own decisions due to the fact that 30 per cent of her national debt is owed to the international financiers?

As you know the liabilities of the former U.S.S.R. are \$68 billion. Ukraine has accepted its share of 16.8 per cent and demands as well its *pro rata* share of assets that the former U.S.S.R. is holding abroad, including Canada.

It is my understanding that when Mr. Yeltsin was in Canada and met with our Prime Minister, the Prime Minister gave him a letter stating that Canada considers the assets of the former U.S.S.R. in Canada as belonging to Russia.

On what basis has he come to this conclusion? On what legal grounds did he do so, or was it an arbitrary decision of the Prime Minister?

Would the parliamentary secretary table this letter in the House, or would he prefer to deny the existence of this letter?

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, let me begin by noting the strong support that the Government of Canada has given to Ukraine since its emergence as an independent state. Canada led in granting diplomatic recognition, we have upgraded our representation in Kiev to an embassy, and we have been in the forefront among Western countries in providing programs of assistance to Ukraine as it converts to a market economy.