

Oral Questions

immediate concern is for livestock producers who are suffering from a lack of spring run-off water.

Has the Minister, notwithstanding that it is early in the spring, had an opportunity to discuss contingency plans with his provincial counterparts in the event that this drought worsens?

Hon. John Wise (Minister of Agriculture): Mr. Speaker, I appreciate the question. The short answer to the question is definitely yes. In fact we have been communicating and working with the provincial Governments of western Canada and many farm organizations since March.

As was observed over the weekend by the Minister of Indian Affairs and Northern Development from Saskatchewan, and also by the Member for Moose Jaw, we have not lost a crop in April yet.

Let me utilize this opportunity to remind producers that we sent out a notice on April 20 reminding western producers that their deadline for crop insurance is April 30.

* * *

THE ECONOMY

EXCHANGE VALUE OF DOLLAR—EFFECT ON EXPORTS

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Minister of State for Finance. In view of the fact that Adam Zimmerman of Noranda has said that an added penny to the value of the Canadian dollar against the U.S. dollar means about \$15 million in lost revenue, and that a spokesman for Falconbridge has said that a rise of one cent in the dollar chops about \$7 million from that firm's annual export revenues, does the Minister agree with the statement made last week by the Minister of Finance that a firm which cannot make money with the dollar at its present rate has something wrong with it?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the dollar that the Government believes in is a dollar that moves within a narrow range at low levels, unlike a dollar which gyrates wildly between 95 cents and \$1.05 as it did from 1970 to 1984.

● (1500)

PROPOSED UNITED STATES LEGISLATION—MANIPULATION OF CURRENCY EXCHANGE RATES

Miss Aideen Nicholson (Trinity): Mr. Speaker, my supplementary question is for the same Minister. A paragraph in the U.S. omnibus trade Bill states that when another country "manipulates" its currency exchange rate, the U.S. President shall intervene.

Will the Minister tell the House what the definition of "manipulate" is? For instance, does it include what he has just said about a narrow range? We would like to hear the

definition of "manipulate", which would allow the U.S. Government to control our monetary policy.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I think it is impossible to allege with credibility that the U.S. Government has controlled our monetary policy in any way in the last four years.

Miss Nicholson (Trinity): That is not the point. It is what is in the Bill.

Mr. Hockin: The Government of Canada, in fact, through its interest rate policy, through its reduction of the deficit four years in a row, has decreased the burden of government on the financial markets. This has kept the Canadian economy strong and the Canadian dollar strong.

* * *

ENVIRONMENTAL AFFAIRS

ACID RAIN—PRIME MINISTER'S FORTHCOMING MEETING WITH UNITED STATES PRESIDENT

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Right Hon. Prime Minister. Later this week he will be meeting with President Reagan in Washington. I want to ask him about the acid rain situation.

According to some of the reports of the last few days, the Prime Minister appears to have given up on his friend Ronald Reagan to assist him on the question of acid rain abatement in this country. I want to know whether or not the special relationship between the Prime Minister and Mr. Reagan was there only for a dance, a shuffle, and a photo op? What indeed now is the situation with acid rain? Is it on the agenda? Is it still a priority of the Government? What is going to happen?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, indeed acid rain is very much on the agenda between Canada and the United States.

We have made some progress in regard to this important matter, but certainly not as much as we would have wanted. I acknowledge that readily on behalf of all Canadians.

The fact of the matter is that, as my hon. friend knows, responsibility while that of the administration is also that of Congress. The Democrats and the Republicans are quite capable of initiating their own legislation in the Congress to deal with this blight of acid rain. We, for three and a half years, have been pursuing both the administration and the Congress.

Acid rain indiscriminately is destroying the environment of Canada and the United States, and the evidence is overwhelming that it is very much in the interest of Canada and the United States that it be cleaned up immediately.