

within domestic federal jurisdiction and Canadian international commitments.”

## QUESTION PERIOD

[English]

### THE ECONOMY

#### DECLINE IN VALUE OF CANADIAN DOLLAR—GOVERNMENT ACTION

**Hon. Ian Sinclair:** Honourable senators, last Wednesday, February 26, all honourable senators, almost all Canadians and many people outside Canada waited to find out what action the government would take to improve the relationship of the Canadian dollar to the American dollar. The Minister of Finance stated that his budget would result in confidence being restored in fiscal management and that this confidence would be reflected in the dollar relationship. Honourable senators know from listening to the morning news that the dollar is wallowing even deeper in the slough of despondence that it was wallowing in before the budget. Indeed, as of noon today it is one and one-third cents below the position it was at when the Minister of Finance brought down the budget. My question to the Leader of the Government is this: Is the government prepared to take extraordinary steps to restore confidence in our currency?

**Hon. Duff Roblin (Leader of the Government):** Honourable senators, I support the Minister of Finance in his assessment of the situation, that the budget will restore confidence in the Canadian dollar. It is clear that it has not done so to date, and my honourable friend is quite right on that. It indicates that there is a considerable task ahead of the financial community and of the government itself to ensure that the meaning of the budget, the facts of the budget and its implications are disseminated as widely as possible in order to help deal with this question.

I do not think it would be proper for me to say whether the government or the Bank of Canada intends to take any extraordinary measures, because that has to be done by those concerned at the time with respect to financial markets. I do not think it would be useful for me to speculate on that subject.

**Senator Sinclair:** Honourable senators, in light of the statement made by the Leader of the Government, I wonder, if there are not to be extraordinary steps, whether there will be any unusual steps taken by members of the government to assist in bringing about greater understanding in a situation that seems to have left many financial people wondering what the minister was really saying.

**Senator Roblin:** I do not know that it is unusual. In fact, it is not unusual, but we are certainly giving more attention these days to spreading the good word. I believe that ministers of the Crown and members of the Department of Finance are scheduling meetings with various parties in the financial realm in

many places, not only in Canada, but in the United States, and, indeed, throughout the world. They are seeking opportunities for discussion with those parties on the present economic status of the country and the impact of the budget. I hope that as a result of that there will be a wider understanding of the government's intentions.

● (1500)

**Senator Sinclair:** Can the Leader of the Government assist the chamber by advising whether there is an opportunity for all members of the House of Commons and the Senate to leave Ottawa to spread the good word, by prorogation or adjournment of Parliament, to enable this matter to be dealt with expeditiously?

**Senator Frith:** To enable the gospel to be disseminated.

**Senator Roblin:** Honourable senators, I am almost tempted to believe that I have received an offer of assistance from my honourable friend. If that is so, I accept it, and I tell him that his good word and support in financial circles in Montreal and Toronto, to go no further, would certainly be a considerable contribution toward restoring confidence in the Canadian dollar.

**Senator Sinclair:** Honourable senators, I would love to do that if I had the necessary facts to proceed in that way, but I have not. As honourable senators know, the vice president of the Chicago monetary authority has stated that there is general disappointment with the budget. The minister has said that some businessmen support him, but he has not named who they are. I looked at the BCNI statement, which was pretty wishy-washy. Perhaps what is required is a task force made up of everyone. If the facts do not support that confidence, then the government will know and can take appropriate action. I would ask whether that is going to be done.

**Senator Roblin:** I guess that we are verging on a debate. That would be my assessment of the situation. I will simply conclude my part of it by saying that I will see that my honourable friend has a complete set of budget papers, by means of which he can form his own conclusions.

**Senator Frith:** That is what he is worried about.

**Hon. Allan J. MacEachen (Leader of the Opposition):** Honourable senators, may I follow up the questions asked by Senator Sinclair by referring to the Leader of the Government's acknowledgement that the budget has not restored confidence in the Canadian dollar and that what is required is a better understanding of the contents of the budget—that that is the obstacle.

Last week the Minister of Finance, when asked in the House of Commons, said it would not be possible for the international community to assess the budget so quickly, because they had to read the budget papers and examine all of these matters in detail. It is now five days since the budget. Does the Leader of the Government have that in mind as the reason why an understanding has not been possible for the international community?