

I think that really goes back to the question you were raising as to what kind of flexibility we had and what were going to be the impacts on the Canadian dollar. That is being monitored very closely, and we have not been following blindly on the general philosophy that whatever the United States does in terms of their monetary policy or bank rate automatically has to apply in Canada. There has, therefore, been some effort by the present government to evaluate the impact of the differential in interest rates between Canada and the United States on the value of the dollar. I might note that since the close on Friday the dollar has been losing some ground. I am sure that officials of the Ministry of Finance and of the Bank of Canada are monitoring the situation very closely to see what further developments will occur in the exchange market.

Again, I humbly suggest that an attempt be made to get a fuller explanation from the Minister of Finance in terms of what steps are being taken to monitor this process.

● (1530)

Senator Buckwold: How long will it take before we get these responses from the ministers to whom these questions have been diverted?

Senator Smith (Colchester): Not as long as you took.

Senator de Cotret: I shall be happy to talk to my colleague the Minister of Finance, and report back to the Senate tomorrow.

You have asked me a question about how long it will take to fully assess the impact of a narrowing differential on the value of the Canadian dollar in international markets. I think the markets will have to dictate the timing on that. The reaction is not an overnight reaction, but something we have to ponder carefully. We have to monitor developments in the foreign exchange markets to see exactly where we are going. And as soon as we have a better feel for how the market is responding to initiatives that we have taken as a government, we shall be happy to discuss them in this forum.

THE CONSTITUTION

OMISSION OF REFERENCE IN THRONE SPEECH TO QUEBEC REFERENDUM ON POLITICAL SOVEREIGNTY

[Translation]

Senator Marchand: Honourable senators, my question is directed to the Honourable Minister of Justice, that is as legal counsel for the government and Leader of the Government in the Senate, also as senior minister from Quebec irrespective of his personal opinions and his sincere concerns that I know quite well. That is not the purpose of my question.

I notice that the Speech from the Throne is absolutely quiet on the constitutional issue, particularly concerning what is going on in the province of Quebec, that is a possible referendum and its eventual effects on the whole country.

Does the government intend to keep quiet until the result of the referendum is known, or does it intend to elaborate a strategy to safeguard the general interests of Quebecers and of

all Canadians during the great manoeuvres which will take place and which are being prepared with so much fervor?

Senator Flynn: I believe that that type of question could be answered during the debate on the Address in reply. I intend to say a few words about that issue when I rise to speak.

While the word "referendum" is not found in the Speech from the Throne, the government is very concerned about that issue. What I have said, what the Prime Minister has said many times and what the government has said is that by our actions we will show more comprehension towards claims and representations of the provinces, and we will prove that federalism can work. With such demonstrations, we would be able, during the pre-referendum debate, to convince Quebecers they can hope to gain appropriate solutions to their problems.

The government has explained that it would not introduce a bill on referendums because we feel it would be a provocation. First we take for granted that the question will be honest. But we have to see it before deciding on that. And then we will have to know the answer before doing anything. In the light of the result we could launch a debate on the proposal made by the previous government versus the proposal of the new government.

I believe that this type of question should be raised during a debate instead of being a simple question during the question period.

Senator Marchand: I have a supplementary question. I agree with the minister that the attitude of governments towards one another is an element of utmost importance. However, I do not think that the problem can be solved that easily. We could improve the climate by adopting a more flexible attitude, but that would not solve the problem. So with regard to that part of the problem that cannot be solved by adopting a different attitude or by improving our relationship, does the government intend to improve its strategy in order to safeguard the general interests of the country and the interests of the people of Quebec?

Senator Flynn: The answer is a simple yes.

Senator Marchand: When?

Senator Flynn: Well, certainly not before the question is known.

[English]

THE CABINET

MINISTERIAL RESPONSIBILITY IN SENATE

Senator Frith: Honourable senators, I have a question for either the Leader of the Government or the Minister of Industry, Trade and Commerce.

To the question posed by the Leader of the Opposition asking for a delineation or an explanation of the responsibilities of the three ministers now sitting in the Senate, the Leader of the Government when referring to Senator de Cotret, said that so far as departmental responsibilities are concerned he is responsible for trade and commerce, for which he is the minister. Then, if I noted it correctly, the Leader of the