

dollar, started at \$1.03. While there has not been a completely steady decline in the value of the Canadian dollar, there has indeed been a decline from \$1.03 to something over 71 cents at present.

I gather from what my honourable friend says that he thinks that events in the United States have quite a bearing on this problem. I would not be surprised if he were right. Probably the main influences have to be the state of the American budget and its deficit which have an effect on interest rates and the inflows of money, all of which are basic to our problem. I suspect that my honourable friend has that in mind and, if he has, I am inclined to agree with him.

I am not altogether sure how far I can go in pledging that the Prime Minister will undertake to raise this particular matter with the President of the United States. I am sure that it can and should be referred to as an outstanding problem in both our countries, because the high value of the American dollar is equally disturbing to large members of the industrial community and farming community of that country. In a sense it is a problem we both share—their dollar is too high and ours is too low. I shall certainly see that the Prime Minister receives the benefit of my honourable friend's suggestion.

Hon. Joseph-Philippe Guay: And his regards.

Senator Sinclair: Honourable senators, I have a supplementary question. While the Prime Minister of the United Kingdom was in Washington recently, the British press, at least, indicated that she had raised this issue with the President of the United States. As I understand those reports, she did not get very far. However, we in Canada are more closely aligned economically with the United States than the United Kingdom and we see right in Ottawa what is happening today, for instance, in the forest products area, where Americans are saying that the low Canadian dollar is putting pressure on United States producers, who are suggesting various means to limit imports of lumber. For these various reasons, even though the head of the central bank in the United States has said that Americans should get down on their knees and thank the good Lord for a high American dollar and considering that the Prime Minister will likely attend the Shamrock summit on—what he terms in his use of “sacred” epitomes from time to time—a sacred instrument of travel, perhaps he can get a little further. I would ask the Honourable Leader of the Government in the Senate to urge the Prime Minister, when he is talking to President Reagan, not to be dissuaded because Mrs. Thatcher did not get anywhere, since we, in Canada, are in a little different position.

● (1410)

Senator Roblin: I think my honourable friend would like me to tell him that the Government of Canada is very concerned about access to the American market and the implications of the price of the U.S. and Canadian dollar with respect to that. That seems to me to be one of the main problems that our economy is facing in the next little while, to withstand the protectionist sentiment in the United States and to maintain our access to the American market.

Fortunately, in President Reagan we have a man who has been battling, quite stoutly, I think, against the forces of protectionism in the United States, although not always entirely successfully. Therefore, I have hopes that when the Prime Minister raises the question of access to the American market, which I am sure he will do, that will be a subject which the President will listen to receptively.

Senator Sinclair: My next question arises from a statement by the Prime Minister in which he raised a question that I think should be answered. The question that he raised was: “What the hell makes us so special?” Honourable senators, I think the answer to that question is easy and the very asking of it must bother the descendants of the Selkirk settlers, United Empire Loyalists and others. The answer is that we are Canadians, and I would hope that the Leader of the Government in the Senate would assist the Prime Minister in arriving at that answer at an appropriate time.

UNITED NATIONS

GOVERNMENT POLICY

Hon. Jerahmiel S. Grafstein: I have a question for the Leader of the Government in the Senate. In the February 17, 1985 edition of the *New York Times*, an article on the subject of UNESCO appeared. This article reported that a meeting had taken place in Paris at which Canadian officials were reported to be threatening to withdraw from UNESCO.

My question is this: Is there a change in the government's policy with respect to the United Nations and some of its constituent bodies, such as UNESCO?

Hon. Duff Roblin (Leader of the Government): I do know that the question of membership in UNESCO has been occupying the attention of a number of countries which have been or still are members. If there is an announcement to make as to any change in policy from Canada, I will be glad to inform my honourable friend.

REGIONAL INDUSTRIAL EXPANSION

ATLANTIC PROVINCES—GOVERNMENT ASSISTANCE TO INDUSTRY

Hon. Eymard G. Corbin: Some of us were rather shocked to hear yesterday that the present government is backing out of a commitment by the previous government to help the Domtar Company in modernizing its establishment in Windsor, Quebec, in the hope of taking advantage of current North American markets as well as protecting jobs in that high unemployment area. I am sure my honourable colleagues from the Province of Quebec will want to deal with the specifics of that announcement.

However, the matter does raise some grave concern in the minds of honourable senators from the Atlantic provinces, in view of the response yesterday in the House of Commons from the minister responsible that there were four or five more companies waiting in line for government assistance of the