

Oral Questions

strongly inflationary in an environment where confidence that inflation is under control is still so fragile.

We are struggling with a recovery. The Minister of Finance has been talking to all kinds of economic leaders across the country, and their statements are on the record. Why has the Government of Canada not reduced the federal deficit, when doing so is the one signal that world markets, the Canadian market, and the private sector need in order to have a stable interest rate environment and to have some stability that will allow us to pick up the challenge given by the Minister of Finance in his last Budget?

Some Hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): First, Mr. Speaker, a major depreciation of the Canadian dollar has not taken place. The Canadian dollar dipped temporarily below 80 cents last January and last December. That happened twice in the very recent past. It was not a major depreciation. The Canadian dollar recovered then, and precisely the same incident has occurred again. The Hon. Member cannot describe it as being either a major depreciation or as having any relationship to the size of the deficit. Neither element included in his question is relevant under the present circumstances.

ECONOMIC PROJECTIONS MADE BY CONFERENCE BOARD OF CANADA

Hon. Ron Huntington (Capilano): Mr. Speaker, so far the four answers that we have heard from the former Minister of Finance, who is the Deputy Prime Minister of the country, indicate the reason why our money is not at an 80-cent level as compared to United States currency but is now falling into the seventies. That is a direct measure, as compared to other currencies, of how well we manage our economy and how well we discipline ourselves as a Government.

Some Hon. Members: Hear, hear!

Mr. Huntington: The value of Canadian currency can be compared against U.S. and other currencies. We have a 79 per cent performance rate as against other countries, and that is a fact. It is the one measure which tells us how well we are doing *vis-à-vis* other countries.

Can the Minister tell us what the Government will do to offset the predictions of an economist with the Conference Board of Canada who said, as reported by the *Calgary Herald*:

Without investment in new plant and equipment . . . there is nothing to drive Canada's economy into the mature stage of recovery—

We know that the bloom has fallen off the Canadian recovery rate. We know that recovery in the U.S. is still moving strongly ahead. What is the Government doing to create an environment that will allow us to consolidate what we have? Considering the answers we are hearing, are we going to see more inflation, higher interest rates, and a severe depression, as has been indicated by the Conference Board of Canada?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member seems to be totally unaware of what has happened to currency values in Canada, in the United States, and in Europe. If he were aware of this, he would know that for quite some time the Canadian dollar has been much stronger as compared to most European currencies than as compared to the United States currency.

If the Canadian dollar declines in value from time to time in relation to the American dollar, its historic and recent pattern has been one of strength in relation to European currencies. The Hon. Member ought to bear that in mind if he is talking about the value of the Canadian dollar as an index of our over-all performance. If it is such an index as he has just stated, then we are performing much better than most European industrialized countries. The Hon. Member ought to know that and factor it in to his rather rudimentary analysis of the current economic situation.

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PUBLIC SERVICE

EQUAL PAY FOR EQUAL WORK GUIDELINES

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, in the absence of the Minister responsible for the Status of Women, I would like to direct my question to the Deputy Prime Minister. He will know that Canada ratified the international convention on equal pay for work of equal value in 1972, and that such legislation has existed in federal law since 1978. Yet women in Canada still make only 60 cents for every dollar a man makes. Even more damning, Mr. Speaker, is the \$7,300 wage gap between men and women employees in the federal Public Service.

In view of the fact that Labour Canada released a report last month confirming that the federal Government is not enforcing its own equal pay for work of equal value guidelines in the Public Service, will the Government act immediately to reorganize Treasury Board's compensation standards to comply with equal value legislation?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, quite appropriately the Hon. Member is asking such a question on a day on which we are making International Women's Day. I think her question is quite appropriate, and it gives me an opportunity to say that the world is celebrating the achievements of women the world over, and that today is an occasion on which this Government and other Governments throughout the world can recommit themselves to the advancement of women. That is one of the objectives of the Government of Canada.

In this past decade, which has been the International Decade for Women, I think that this country and other countries have taken some very important strides. However, I would agree with the Hon. Member that much more remains to be done. If she wants to ask specifically about the particular