

*Oral Questions*

**Mr. Wilson (Etobicoke Centre):** —over and above what we intended to raise. That is totally wrong.

**Mr. Broadbent:** We did not say that.

**Mr. Wilson (Etobicoke Centre):** The Hon. Member says he did not say it. He is distorting totally then what he just said when he asked me the question five minutes ago.

## EFFECT ON INFLATION RATE

**Mr. Lorne Nystrom (Yorkton—Melville):** Mr. Speaker, the whole country remembers that he did say that it would be revenue-neutral. He has now admitted that he is breaking that commitment to the people of Canada.

What I also want to know is this. In the Finance Committee yesterday morning the Minister said that this new sales tax would add 2.5 per cent to 3 per cent to the inflation rate. We all know that Mr. Crow puts up interest rates when the inflation rate goes up. Can the Minister now tell the people of Canada what impact this increase in the national sales tax will have on interest rates in Canada? Because inflation is now a problem in the Minister's mind will he at least delay the national sales tax until the inflationary pressures ease up?

**Some Hon. Members:** Hear, hear!

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, again, the Hon. Member is quoting selectively what I said in the committee yesterday.

**Mr. Nystrom:** Exactly what you said.

**Mr. Wilson (Etobicoke Centre):** What I said, and I repeat, yes, the inflation impact—one shot over a very short period of time—is in the order of 2.5 per cent to 3 per cent.

What I went on to say is that the Governor of the Bank of Canada, the Bank of Canada, will be looking at the underlying impact of a variety of things on the performance of the economy, the underlying demand growth in the economy, before deciding what the levels of interest rates should be, what the conduct of monetary policy should be. The Governor of the Bank of Canada understands that that is a one-shot increase in prices.

There is an ongoing set of circumstances in the economy that are far more important to the decisions that are related to the conduct of monetary policy. That is what he will be following.

## CANADA POST

## ALLEGED HARASSMENT OF EMPLOYEES

**Ms. Albina Guarnieri (Mississauga East):** Mr. Speaker, my question is directed to the Minister responsible for Canada Post.

Workers at the Canada Post Gateway plant have reported systematic harassment by management in a clear effort to break the morale of both employees and the postal union. *Today's The Toronto Star* reports that there is currently an investigation under way to substantiate allegations that supervisors are accepting bribes to facilitate employee hiring. Will the Minister now confirm that an investigation is under way?

Given that my constituents have been coming to my office complaining that they have lost their jobs at Gateway because they have supposedly failed aptitude tests, can the Minister assure us now that employees of Canada Post who have lost their jobs as a result of these less than credible aptitude tests will have their dismissal reviewed by an independent arbitrator to ensure that these individuals were not victimized? Would the Minister agree that stamps are not the only things that have to be licked in order to keep the mail going?

**Hon. Harvie Andre (Minister of Regional Industrial Expansion and Minister of State for Science and Technology):** Mr. Speaker, some days ago a member of my Party reported to my office that in fact there were suggestions of job buying or job selling. The Post Office undertook an investigation. This morning, charges were laid against a Post Office employee.

I do not think it would be appropriate for me to provide any more detail than that at this point in time.

[*Translation*]

## SCOPE OF INVESTIGATION—MINISTER'S POSITION

**Mr. Don Boudria (Glengarry—Prescott—Russell):** Mr. Speaker, I have a supplementary for the Minister responsible for the Canada Post Corporation, on the same case.

Could the Minister inform the House whether the investigation deals only with the Gateway Post Office or whether other post offices in Canada are included? If so, could he tell the House whether he has the impression that this problem exists beyond the confines of the Canada Post Corporation?