

*Oral Questions*

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

**Mr. Speaker:** There is no unanimous consent, so the motion cannot be put.

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● (1410)

[English]

### PRIME MINISTER'S OFFICE

ALLEGATION PRIME MINISTER'S SECRETARY, MR. AUSTIN, USING OFFICE TO FIGHT INCOME TAX CASE—MOTION UNDER S.O. 43

**Mr. Tom Cossitt (Leeds):** Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion that is self-explanatory. I move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

In view of serious allegations yesterday by Southam News Services that the principal secretary to the Prime Minister, Mr. Jack Austin, has been using the Prime Minister's office as an information gathering centre to fight a \$70,000 personal tax case with the Department of National Revenue, including specific use of the Prime Minister's telephone number and an office address in the East Block of the parliament buildings on letters dated January 30, 1975, the House request a full and complete investigation of this matter and that the said Mr. Austin should remain absent from his duties or otherwise be suspended until such time as the allegations are disproved or otherwise.

**Mr. Speaker:** The motion is proposed pursuant to Standing Order 43 and demands the unanimous consent of the House. Is there unanimous consent?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

### ORAL QUESTION PERIOD

[English]

#### THE CANADIAN ECONOMY

ALLEGEDLY CONFLICTING VIEWS OF CABINET MINISTERS ON WHETHER EXCESSIVE WAGE SETTLEMENTS THREATEN CANADA'S COMPETITIVE POSITION

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I have a question for the Acting Prime Minister. I would like him to tell the House who was expressing the position of the government, the Minister of Labour yesterday when he described as a prevailing myth that excessive wage settlements threatened our competitive advantage over the United States or the Minister of Finance who said in Sarnia on May 9, and I quote:

The very fact that for a considerable period of time Canadian wages and salaries have been rising at a very much faster rate than those in the U.S. should make it obvious that our competitive position is being seriously jeopardized.

[Mr. Speaker.]

**Hon. Mitchell Sharp (Acting Prime Minister):** Mr. Speaker, I have been looking at the remarks made yesterday by the Minister of Labour.

**Mr. Stanfield:** I bet you have.

**Mr. Sharp:** He did not quite say what the Leader of the Opposition has said. He quoted Mr. McGillivray, a journalist, who had pointed out that average wage gains had been running at less than one per cent more than those of the United States in collective agreements. At the end, he said:

I think this myth about Canadian wage settlements being double those in the United States should be laid to rest right now.

One can have a difference of view as to whether wage increases have been doubled. The Minister of Labour was expressing some doubt about that. He did not say that our position had not deteriorated. Indeed, our position has deteriorated. Both the Minister of Finance and I would affirm that.

**Mr. Stanfield:** Mr. Speaker, may I quote word for word what the minister said, as reported in *Hansard*.

**Mr. Drury:** The whole, not part.

**Mr. Stanfield:** I will quote the whole for the Minister of Public Works. I quote:

Time does not permit my dealing as extensively as I would like with the prevailing myth that excessive wage settlements are the main cause of inflation, that they are running at double the average rise of wages in the United States, and that they threaten our competitive advantage over the Americans.

That is to be found at page 6163. May I ask the Acting Prime Minister whether the Minister of Labour was stating the position of the government yesterday or whether the Prime Minister was stating the position of the government at the first ministers meeting in April of this year when he said: "Meanwhile, our industries are facing increases in their wage settlements that are twice the size of those being made in the United States".

**Mr. Sharp:** Quite clearly, the Prime Minister speaks for the government.

**Some hon. Members:** Oh!

**Mr. Stanfield:** I don't know what that does to the Minister of Labour, but I should like to know what it does to the government's consensus program. I should like to ask the Acting Prime Minister whether his government can properly present a consensus program to the people of Canada before it has achieved consensus within its own ranks.

**Mr. Sharp:** The government is fully behind the Minister of Finance and the Minister of Labour—

**Some hon. Members:** Oh, oh!

**Mr. Hees:** And all other points of view expressed by the cabinet.

**Mr. Sharp:** —both of whom have been urging upon business, labour and the community in general the need for restraint.