

in which INCO was participating as a part of a consortium called Le Nickel.

The question we raised in committee with respect to the loan was the rate of interest INCO was paying on that money. Well, that was a state secret. That was a most secret thing, and we could not find out that rate of interest for INCO to borrow taxpayers' money. Now we know that the American EXIM bank rate was somewhere between 6.5 per cent and 7 per cent, and the president of the EDC admitted that our interest rate was below that because we have to be competitive. He told us he was out there reaching for business, so the interest rate had to be competitive and therefore less. Mr. Speaker, see how we have come full circle. That money, which really is the taxes of the workers of Canada, including workers in the Sudbury basin, has now been used to create their own unemployment. They have, in effect, funded their own unemployment. I do not think that is good enough.

We are going to see 2,200 workers laid off, whose average income is about \$15,000 a year, and the average income tax payable would be about \$2,500. The treasury of Canada will lose that tax revenue, and then we will pay them unemployment insurance. If they draw benefits for 50 weeks, and there are 2,200 of them, the cost to the unemployment insurance fund will be in the region of \$22 million. That is not counting the spin-off effect in the service sector and that is not counting the human misery which follows these lay-offs.

I have been in the Sudbury basin long enough to know what happens. We went through the bust of 1972 when INCO cut the number of hourly-rated workers from 18,000 to 13,000. I was there; I taught in the schools. I saw families broken, and alcoholism taking over. I saw the drive onto the welfare cheque. The party to which I belong, Mr. Speaker, has never supported the paying of welfare cheques. We think workers should earn pay cheques, rather than be given welfare cheques. We do not support a situation whereby the mining industry creates a bust, lays off its workers here in Canada, and then demands that the community pick up the pieces.

With regard to Guatemala, the Minister of Finance today told me that because I come from Latin America I ought to understand that we were really helping Latin America when we did this; that we were really helping Latin America with technology. Well, the technology is not being transferred. The loan to establish the subsidiary in Guatemala will be used to scoop up the lateritic ore from the surface, put it into a semi-processed state and ship it out to Great Britain or to the United States for processing. The fact is that the Guatemalans will not get their hands on the technology. That is the whole question facing the Third World—the whole question of a new international economic order. It is the question whether rich countries like Canada and the United States are prepared to transfer, or sell the technology to the developing countries. That is the crux of the problem.

● (1442)

When the Minister of Finance says, "Oh, we have been so good hearted; all this money is really to help the Guatemalans,

*The Address—Mr. Rodriguez*

the Indonesians and the New Caledonians get the technology", let me tell him they are not going to own the technology. What is being done to them is exactly what has been done to us.

Now, Mr. Speaker, how does Guatemala benefit? INCO is involved in Guatemala with a "small" mining company called Hanna Mining Corporation, which is a United States mining corporation. INCO owns 80 per cent of the Guatemalan subsidiary, and Hanna Mining Corporation owns 20 per cent. It was Hanna, by the way, which discovered the lateritic ores in Guatemala. I want to place these facts before the government because the Minister of Finance said that as a Latin American I should understand that Latin America benefits. I am saying to him that Latin America does not benefit, because the multinational mining companies have developed a pattern.

As I was saying, Mr. Speaker, it was Hanna which discovered the lateritic ores in Guatemala and had connections with the dictatorship in Guatemala at the time, headed by General Carlos Manuel Arana. It is of interest to know that he was nicknamed "the butcher of Zacapa". In other words, Mr. Speaker, he respected no human and civil rights on the part of his citizens. Indeed, torture was a way of life in a country which could offer Hanna and INCO security of supply. It could offer them a malleable work force. If there were any arguments from the work force, those persons would disappear in the night. Indeed, around the site where this lateritic ore was developed he consistently placed an armed camp so that the workers could not leave the site or slip off if they wanted to stop working there. So he provided a service to Hanna and INCO by providing a captive work force.

History has now made very clear that the CIA was involved in Guatemala with the United Fruit Company in the overthrow of President Arbenz, who tried to bring some social justice to the country, which did not suit the purposes of the CIA. So the government was overthrown. It was INCO and Hanna which drafted the mining act of Guatemala, and under that act INCO was not to pay taxes for 40 years. That is exactly the way they have operated in Ontario. They were allowed accelerated depreciation allowances and the whole bit. We have been through that. INCO used, in Guatemala, the same approach which they have used in Canada so successfully.

There were several well-respected and well-known professors at the University of Guatemala who opposed the mining act developed by the "butcher", INCO and the Hanna Mining Corporation. For example, Adolfo Mijangos, a law professor, was machine-gunned in January, 1971, while he was leaving his office in his wheel-chair one month before the mining act was signed by the "butcher", INCO and Hanna. Julio Camey-Herrera, a lawyer, was machine-gunned in November, 1970, while he was driving a car. Afonso Bauer-Paiz, a lawyer and professor, survived a point-blank attack in November, 1970. These were men all well-respected in the community who opposed the INCO operation in Guatemala. They were eliminated from the scene. We know now who in that republic engineered that machine-gunning.