

about but still pay. What we propose is a visible 7 per cent tax on all goods, except on what my hon. colleague was talking about, that is food, which includes milk. Since the GST does not apply to milk, milk will cost less than it does right now with the 13.5 per cent hidden tax. We should not forget that.

On the other side, when we talk about the northern part of the country, we talk about mining, and about production. The 7 per cent tax is a consumption tax, it is not a manufacturers' tax or a production tax. So, in the long term, northerners will come to see that change of target as an advantage. In the long run, they will profit from that tax, and I'm happy for them.

Finally, Mr. Speaker, I want to say that the current 13.5 per cent federal sales tax, instead of equally helping all areas across the country, is in fact putting some of the regions, including the North, at a disadvantage, because, as you know, the system is 65 years old. It is outdated and needs to be changed. The new tax system will allow us to help all of Canada, and specially the remote areas, more than we can now with the current federal sales tax.

Mr. Speaker, I think that my hon. colleague would do well to examine the question in its entirety, although I know he has a special interest in the well-being of northerners. He would do well to put aside his partisanship, and to look at the real benefits the GST has in store for the people he represents and wishes to represent.

• (1910)

[English]

COMINCO

Mr. Sid Parker (Kootenay East): Mr. Speaker, on January 24, I asked a question in the House concerning the shutdown of Cominco's Sullivan Mine in Kimberley, British Columbia.

The answer I received from the Minister of Regional Industrial Expansion did not only reflect the minister's lack of knowledge of the case, but it was an insult to the people of Kimberley and to the workers who have dedicated their lives to this work in this community. I would like to review the answer given by the minister and bring some information to his attention so he will not

embarrass himself in the House when confronted with a similar situation in the future.

The minister in his response on January 24 implied that the Sullivan Mine had run out of ore. For the minister's information the Sullivan Mine has at least 20 million tonnes of productive ore in the ground. This represents a minimum of 10 years of operation. This fact is acknowledged by all people familiar with the mine, including the company.

The company earned a profit of over \$9 million last year in the operation of that mine alone. Why did the minister's answer not acknowledge this fact? The people of Kimberley do not need misinformation such as this to cloud the fight for their community.

The minister also avoided the whole issue of the \$79 million invested in Cominco by the federal government through the FBDB. When the government decided to invest the funds to upgrade Cominco's Trail smelter, it was with the clear understanding that the investment would secure employment at the Sullivan Mine well into the 1990s.

It also stated that it would help ensure the employment of 6,000 people in southeastern British Columbia. One and a half years later, Cominco announces that its operations at Sullivan Mine will be shutting down on two weeks' notice. That short a notice and that drastic a measure is not acceptable to the people of Kimberley.

At the same time we find out that the \$79 million had no strings attached. I would like to tell the government that it cannot have it both ways. It cannot talk about total free enterprise and then bail out its corporate friends when the system breaks down while at the same time leaving the miners in the town of Kimberley with no assistance.

We recently learned that some disciplinary action may be forthcoming within the FBDB as a result of loans given to strip clubs. I would like to suggest to the minister that handing over \$79 million to a hugely profitable company with no strings attached may constitute a more serious problem than the strip club loans.

We have a situation wherein a whole community is decimated overnight. A number of serious questions were raised concerning the crisis and we have a minister