

Income Tax

added a further description of Canada, namely, no interference from Canada's elected representatives, either provincial or federal, in terms of economic planning and social accountability.

Where is the social accountability in INCO laying off 3,400 workers? There is no social accountability whatsoever in the way corporations operate in this country. What more could we have done? Under the government's policy of non-interference what more could we have done for INCO? Their taxes have already been deferred to the tune of \$378 million, and the Economic Development Corporation gave them low interest loans of \$70 million in order to move into Guatemala and Indonesia. They have been given depreciation allowances, "Roads to Resources" grants, postponements and alterations of their pollution abatement programs, and even a pollution abatement grant of \$15 million to INCO for the "super stack", but there is no recourse for residents whose property has been damaged by pollution from the two operations in Sudbury to obtain compensation.

The company has been notified when government inspectors were coming to see the premises to ensure that they complied with the safety laws. The province has allowed a suspension of overtime certificates, and so the company could have the workers on overtime to accumulate the present seven-months' stockpile of nickel at Port Colborne and Sudbury. Bill C-11 is a \$10-million reward to INCO for eliminating 3,400 jobs in the Sudbury Basin, Thompson, and Port Colborne.

We could not have done anything more for them in terms of handouts, and how did they show their gratitude? The Minister of Employment and Immigration (Mr. Cullen) told this House that he was only notified the night before the public announcement, of the layoffs. The minister of labour in Ontario was also informed the night before. So INCO did not even take the federal and provincial governments into their confidence.

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In an interview with a Toronto *Star* reporter the vice-president of INCO, Mr. W. Curlock admitted that there is no doubt that third world countries like Indonesia and Guatemala are much more likely to act against INCO if it took measures which would seriously affect their social and economic development programs.

They would not even try that stunt in those countries. We have always criticized third world countries as being banana republics, but we have become the banana republic of North America. We have allowed them to come here and operate in any way they want. We have consistently stood on the sidelines and said, "free enterprise, free enterprise, free enterprise". Now we find ourselves having given away our resources and mortgaged the future of the country, and we have no jobs to show for it all.

None of the bulk of research and development for INCO is done in Canada. It is done in the United States and Great Britain. None of the research and development in Falcon-

[Mr. Rodriguez.]

bridge is done in Canada. We have not reaped the benefits we should have with relation to our resources.

And when these companies do not get their way we get threats. For example, I attended a luncheon where Mr. Jack McCreedy, President of INCO, Canada, spoke. He said there were three factors affecting INCO in Canada. That remark was made months before the announced lay-offs. The three factors he put forward were the following. He said that the federal and provincial governments were taxing INCO to the hilt. Second, he said labour costs had a nullifying effect on the company's ability to sell its nickel. Third, he said there was pressure being brought to bear on the government by interest groups in society with respect to environmental clean-up in the mining industry. He said this was forcing the company to put out extensive amounts of capital to improve the environment and clean up pollution at INCO plants. He said these were all negative factors with respect to the carrying on of business in this country. That was a very clearly implied threat.

Then we have the speech of Mr. John Bonus, who was speaking to the Association of Mines' Ministers in Quebec this past summer. He said there was close to \$2 billion in mining development and expansion projects involving the creation of 18,000 new jobs. He said they were ready to begin, provided relief was given to company taxation rates. Mr. Bonus is the managing director of the Mining Association of Canada. He was saying there were 18,000 new jobs on the drawing board and \$2 billion in mining investment, and all the government had to do was come up with the appropriate tax breaks and concessions and these plans would be implemented. Does this government really know what is taking place in the mining sector of the economy?

We have charged that there is an inability to plan the economy. Because there is a lack of any kind of national economic plan we find that the government is unaware of what the reserves of nickel and copper in this country are.

Why is it that we find that we have to import processed nickel from the Philippines for the mint in Winnipeg to manufacture coinage?

Why is it that nickel carbonate has to be imported from the Philippines, unloaded at Vancouver, and sent to the Sherritt Gordon Mines at Fort Saskatchewan for refining? The Minister of Energy, Mines and Resources (Mr. Gillespie) said that the process at the Sherritt Gordon refinery at Fort Saskatchewan is different in terms of the kind of nickel carbonate produced in the Sudbury operation. Chemical engineers tell us that that is a lot of malarkey. Nickel carbonate is nickel carbonate, and there is no reason in the world why the Sherritt Gordon operation cannot use nickel carbonate from the Sudbury operation. Keep in mind Sherritt Gordon closed its nickel mine at Lynn Lake last year and laid off some 300 workers, yet we find that the same company is being allowed to bring in nickel carbonate to this country to process at their smelter at Fort Saskatchewan.

Why is it that Falconbridge is permitted to ship nickel matte from its operation in the Sudbury Basin to be refined in its refinery in Norway, while at the same time the INCO refinery