based, U.S. company that is, I might add, the sole manufacturer of copper tubing in Canada.

• (1140)

What actions, if any, has the government taken to forestall this closure and to protect the Canadian jobs that are at stake? If the minister has not taken any actions, what actions is he prepared to take?

Finally, why was Investment Canada allowed to sell out our Canadian manufacturing industry to foreign interests, when this is the obvious result?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I think the hon. member should know that there is a similar Wolverine operation in my home riding of London, Ontario, and it makes the same products. I do not know what he is talking about when he says that the sole supplier has disappeared.

Mr. Merrithew: Get your facts right.

Mr. Hockin: More important is the effect of the free trade agreement. If the hon. member will look at the increase in manufacturing jobs in British Columbia in 1988, 1989 and 1990 in anticipation of the trade agreement, the net benefit is on a huge positive side, not a negative side.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, Wolverine owns three plants. I say there is one down and two to go.

John Quarles, President and CEO of Wolverine in Alabama, has cited economic reasons for the closure. In a recent telephone conversation he said: "We are fighting those high Canadian interest rates and the GST, and we just can't make a go of it".

Will the minister not admit that this government's tragic monetary policy, its high interest policy and its over-valued Canadian dollar, combined with the GST, are killing our manufacturing industry and mothballing our economy?

Will he also not admit that the impact of these measures, when we combine them with the free trade agreement, is encouraging a virtual exodus of manufacturers out of Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I certainly will not admit such a thing. As a matter of fact the exact opposite is the case.

Mr. Merrithew: Right on.

Mr. Hockin: The old manufacturers' sales tax which built in a cost of operation 4 per cent or 5 per cent more than Canadian operations should ever have to carry has been totally removed. What has happened is that the Canadian manufacturing establishment has benefited to the tune of 3, 4 or 5 per cent with the removal of the old federal sales tax.

In terms of the free trade agreement, we have put in place accelerated tariff reductions in a number of areas to benefit industries similar to that and a number of manufacturing industries in British Columbia, all to show that the manufacturing sector in many cases wants an acceleration of this agreement and nothing other than that.

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REVENUE CANADA

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, my question is for the Minister of National Revenue.

The minister will know, if he has examined the figures, that one-day shopping trips to the U.S. over the past two or three weekends show that the volume has reached alarming proportions. I would like to ask the minister about the new policy, which I understand is currently being drafted by cabinet to address these concerns.

What is the thrust of this new policy likely to be? When is the new policy likely to be announced?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member touches on a very serious problem that affects not only the federal government but, more important, the provincial and municipal governments, the private sector and labour itself.

From a Customs standpoint, the hon. member will know that we have moved ahead in accelerating the use of technology, adjusting work forces to conform to demands and putting in a pilot project to make a more efficient and effective way of collecting taxes and duties. That is on the Customs side.