

Sale of Polymer

The hon. member who spoke before me should study the question more deeply. There are 1800 people working for Polymer in the Sarnia area now who are not very happy to hear their plant described as a turkey. When people were laid off by Polymer Corporation I was one of the most vociferous in my representations because it seemed that long-term employees were being sacrificed in order that Polymer might be able to show, once again, a profit on its books, albeit an extremely small one. I expressed the view in this House that Polymer Corporation, like other corporations, could surely sustain a loss in the interest of retaining employees while it looked for reasons behind its loss of profits and took action to remedy the situation. The corporation did take such an initiative and took the lead by diversifying its interests and establishing plants from which profits could be made, thereby bringing new life to operations in Canada—in Halton, Sarnia and other places throughout the world.

We have seen profits of the corporation dwindle from some \$15 million to \$500,000 in the year the lay-offs took place—that profit came, incidentally, after the lay-offs had taken place. It was obvious, then, that Polymer needed to diversify its operations. The necessary action was taken. It also became apparent that an injection of capital and new ideas were needed if the corporation was to survive. It was for this reason that I welcomed the Canada Development Corporation legislation and the proceedings which resulted in the offer for sale of the shares of Polymer Corporation. I viewed this as a step forward and as an opportunity for Polymer to expand, not only saving jobs already in existence but, hopefully, creating more.

There have been some suggestions that Polymer was sold below its market value. I do not share that view. Much has been made of the book value of the corporation and some hon. members have suggested that this should be the criterion governing the price. Let me remind hon. members, though, and particularly members of the Official Opposition, that there is a heavy water plant in Nova Scotia which has a fantastic book value. But purchasers are not running down there with their cheque books open ready to pay the book value.

Mr. Lambert (Edmonton West): And who took credit for that one? What about MacEachen? That was a Liberal decision.

An hon. Member: Stanfield isn't much of a Liberal.

Mr. Cullen: Many formulas are used as bases for arriving at a fair price and, although the public will be treating this particular debate with a yawn, as well they should—

Some hon. Members: Oh, oh!

Mr. Cullen: I know I am right, now. I am getting through to the hon. member for Edmonton West (Mr. Lambert). There is no way he can sit quietly in his seat when we begin to mention some of the things which should be bothering his conscience, now that his party has brought this silly motion before the House. I said this debate will be treated with a yawn, and so it will be, because we know, now, it was only a political tactic. It is as easy to see through as a pane of glass. The New

[Mr. Cullen.]

Democratic Party knows that the hokery-pokery we have seen will not win any votes across the country. There was no question that the arrangements for the sale of this corporation would be subject to public scrutiny. The financial position is, of course, subject to audit by the Auditor General. We have heard about the steps taken prior to this sale, and insofar as possible in a transaction of this kind, I believe what has taken place would be called an arm's length transaction.

Mr. Lambert (Edmonton West): It had better be.

Mr. Cullen: The ironical feature of this motion is that it fails to take account of the improved position in which Polymer now finds itself as a result of the sale authorized by the Order-in-Council in 1972. There was a time, particularly before the lay-offs, when it seemed that Polymer had no opportunity to expand. There was a fear that in addition to employees already laid off there would have to be further massive lay-offs. This is no longer the position, and employees can breathe a sigh of relief. Or, at least, they could, until the Official Opposition saw fit at this most preposterous of times to bring down a political motion.

Some hon. Members: Hear, hear!

Mr. Alexander: Not too much enthusiasm over there. Better get together. Only two of you.

Mr. Hopkins: If you are interested in people you should be over here. You are out of context.

Mr. Alexander: History is now being written.

Mr. Cullen: The Sarnia Olefin and Aromatic project was, at the outset, a project proposed by three corporations, Dupont, Dow and Polymer. What is envisaged, now, is a world-scale ethylene plant. This would provide appropriate stocks both to Polymer Corporation and to Dupont and enable them to compete more effectively in the market. Is this project to be jeopardized by a motion which is at best questionable and, at worst, irresponsible? I can assure members of the opposition that the employees of Polymer Corporation will not thank them for bringing this motion forward. I see it as reprehensible in the extreme.

Mr. Lambert (Edmonton West): Parish pump politics.

Mr. Cullen: The hon. member for Edmonton West says "politics".

Mr. Lambert (Edmonton West): I said "parish pump politics".

Mr. Cullen: Surely there are issues in Canada of far more significance than the sale of one Crown corporation to another government-controlled corporation suitable for discussion as an appropriate motion under the terms of Standing Order 58. One is moved to comment that during the last parliament when the Official Opposition was working in consort with the NDP their motions were better worded. One wonders whether the motions brought forward in the last parliament were not the result of