

They may be developed. Connaught Laboratories is an existing operation. If this were done for the purpose of preventing the sale or collapse of Connaught Laboratories, there may have been justification. If, on the other hand, it is merely the taking over of Connaught Laboratories because it is a viable operation and will provide revenues, then again we have a potential conflict of interest. That is where it is wrong in so far as a development corporation is concerned. Otherwise let us call it the Canadian "Mutual" or "General Holding" company. This is by way of an invitation to a mutual company through the directors appointed by the government.

Also, somewhere along the line we will want full information in respect of the Venturetek company, where people who were formerly involved in a section of the Department of Industry, Trade and Commerce seem to have rather interesting, shall we say, parallel knowledge with regard to the CDC and Venturetek. If there is to be absolute public confidence in the CDC, there must be a ventilation of the Venturetek situation. That is why this whole question has come forward. It arises out of the disclosures made before the Standing Committee on Miscellaneous Estimates the other day to the effect that there was something wrong with vote 16b. We have the full explanation of the \$1 item that was furnished to the committee after the event. This is a clear case of amending legislation by the use of a \$1 item. This is the explanation:

It is requested that the title "Polymer Corporation Limited" be deleted as of July 31, 1972, from the schedule of Crown Corporations (Provincial Taxes and Fees) Act and from schedule D to the Financial Administration Act since this corporation is now being purchased by the Canada Development Corporation.

• (1750)

Mr. Speaker, that is the sole official explanation for vote 16b of Supplementary Estimates (B). This is the \$1 item. We are disapproving the utilization of this particular item, the reasons given, the valuation, the wrongful purpose within the CDC, the lack of information and the use of the \$1 item. Those are the reasons this motion has been put forward.

This is not an attack on Polymer, not one bit. We have witnessed the uneasy conscience of one who feels as though he were treading on dangerous ground, who feels that even one word of potential criticism against this transaction which in no way affects Polymer might be dangerous. Even if the sale were to be reversed, would it affect the public? There is no confidence in the shares of Polymer that are affected. It is one government organism which would have to return the corporation to the government; this is all it is. The government controls Polymer. It goes from one set of books to another set of books. The only point is that in the second set of books, ultimately the public will have a right to private ownership of some of the income that formerly belonged to the people of Canada as a whole.

This was a Crown corporation set up during wartime scarcity. It was given a monopoly, it was developed, and it has had good management. It has been aggressive and it has done well. But because it has done well, it had been selected—as I said in June of 1971, in the second reading debate and during the report stage—as the principal milk cow for the Canada Development Corporation. That, to

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Sale of Polymer

my mind, is the fundamental reason why Polymer should never have been sold to the CDC.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish at the outset to commend the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) for stating quite clearly what it is that is before the House at this time. He made that clear statement, not in the academic portion of his speech but in his last sentence when he called upon the members of this House tonight to vote this administration out. That is a perfectly legitimate objective; it is a perfectly proper goal. But the members of the Official Opposition today, except for the hon. member for Qu'Appelle-Moose Mountain, are trying to make out that they are discussing the fortunes of Polymer.

What is before this House today is the business of supply. This is the final day of this semester. There will come before us tonight, if there is still a government with the confidence of the House, supplementary estimates and an interim supply bill. What we are debating between now and 9.45 tonight is whether or not the government that sits over there has the confidence of the House, at least for this week and maybe a few weeks more.

The last time a government was beaten when the business of supply was before the House was on February 5, 1963. It is an interesting *Hansard* to read, but I draw attention to the final page of *Hansard* for that session, page 3463. After the vote had been taken on an amendment as amended, which was carried 142 to 111, *Hansard* records as follows:

MR. SPEAKER: I declare the amendment as amended carried.

MR. DIEFENBAKER: Mr. Speaker, I shall advise His Excellency the Governor General tomorrow.

There was no proceeding to the main supply motion, there was no point of order, there was no further discussion. The then prime minister simply told the House that he would advise the Governor General the next day, and then he moved, seconded by the Hon. Gordon Churchill, that the House adjourn. According to *Hansard*, it adjourned at 9.05 p.m. The evening was not even over. The whole question of supply itself had not been resolved. But the government had been beaten on a supply motion. That was it. Then there is a line in *Hansard* and the following paragraph:

The twenty-fifth parliament was dissolved on Wednesday, February 6, 1963, by proclamation of His Excellency the Governor General.

Mr. Speaker, although the rules have been changed in that instead of having a motion for Mr. Speaker to leave the chair, for the House to resolve itself into committee of supply, and then for there to be an amendment and sub-amendment, we now have opposition days and motions that are just for discussion and others that are no confidence motions, the fact is that what is before us at this moment is a motion of no confidence attached—and I emphasize this—to the granting of money. Therefore, if this House tonight at 9.45 votes no confidence in the government across the way, it is saying to the government: You cannot have the supplementary estimates tonight; you cannot have interim supply to carry on for the next three months—the game is over.