usual, has failed to come to grips with one of the greatest problems and dangers facing Canadian sovereignty today. I refer to increasing ownership and control of the Canadian economy by foreign interests. An increasing loss of economic control will inevitably erode our political independence. This is resulting in an inadequate industrial structure in our country and threatens the very survival of a Canadian national entity. It does not meet in the aspirations and objectives of the Canadian people.

There has been a host of warnings from economists over the years which governments of the day have seen fit to ignore. As a result, the erosion of Canadian independence has continued. A previous speaker summed up this legislation very aptly when he said that after 34 years the cabinet had finally come to the conclusion that public investors are entitled to expect that there will be disclosure of business activities, that inside trading will be restricted and reported, and that proxy solicitation will be more restricted than in the past.

Apart from these rather interesting but relatively minor points, the bill has in my opinion failed to tackle the real problem facing the Canadian people today. The recent Watkins report on foreign ownership warned the government that Canada had a limited time in which to stop this trend toward foreign ownership. Only two years ago we were given from ten to 15 years at the most to stop the trend or forever lose the ability to stop it. That report pointed out that no other country in the world was prepared to tolerate the high degree of foreign ownership that there is in Canada.

Most countries in the world have laws limiting the extent of foreign equity investment and controlling investment. Countries with this type of legislation include the United Kingdom, France, Japan, Sweden, Denmark and practically all others in the western world. The way they have used their power has been to limit the control exercised by foreign investors. It is difficult to understand why Canada should not take a similar course.

The laws other countries have passed have not materially affected either their industrial growth or investment from outside. Their good relations with other countries have not been affected because of the desire to be master in their own house. Why cannot Canada follow a similar pattern and at least pass the legislation required to keep us economically and politically independent? It seems to me that the old line parties are tied-in so tightly with the economic powers of this country that they are afraid to act or speak out against the controls which are slowly but surely strangling the economic independence of this nation. If thoughtful Canadians would only study and understand the extent of these takeovers and their eventual influence on Canadian independence, they would rise in wrath against those parties which have controlled the destiny of this nation for so many years.

A quick look at the economic control which Canada has lost to foreign ownership over the years is both upsetting and deeply disturbing. In 1968 alone, the Combines Investigation Committee reported 159 takeovers of Canadian firms. Many of these firms over which we have now lost effective control are among the most substantial in Canada. When the final list is out for 1969 we will find that a similar pattern of takeovers is evident.

Since 1962 more than 600 Canadian firms have passed into the control of foreign companies. This shows the extent to which we are rapidly trading away the future independence of our nation. The Watkins report on foreign ownership states that no other country seems prepared to tolerate the high degree of foreign ownership that exists in Canada. We cannot find this degree of ownership even in the so-called backward countries of Africa. This report confirms the fact that between 50 per cent and 80 per cent of our manufacturing, petroleum, natural gas, mining, smelting and other industries are owned by multinational corporations which have their headquarters in the United States. In some industries we find that foreign control is almost complete.

• (5:00 p.m.)

The Watkins report points out that in 1963 foreigners controlled 97 per cent of the capital employed in the manufacture of automobiles and parts, 97 per cent in the manufacture of rubber, 78 per cent in the manufacture of chemicals and 77 per cent in the manufacture of electrical apparatus. It pointed out, also, that in 1963 there were in Canada 414 corporations with assets greater than \$25 million each. The total value of these assets amounted to \$37.9 billion. It was estimated that 53 per cent of the total assets of these firms were in companies more than 50 per cent owned by non-residents of Canada. The picture is more serious today.