That it is also a very high-capital investment company is also a fact. Therefore, they get great efficiency in their costs, added to their very large domestic market and their very great production. Secondly, I think something that is perhaps not always fully or generally understood is that most of this industry is based on North American standards of design. Many of us are majority-owned subsidiaries or licensees of North American corporations, United States corporations. Therefore, the designs of the products are basically North American. Much of the capital invested in this industry is United States capital. Therefore, it is natural that our products are based on North American designs and standards. This encourages an immense flow of components. There are no D.B.S. figures available, no breakdown, that can make the figures official, but from our best estimates in our own Economic Department in our own company, we estimate somewhere in the area of 70 per cent of the imports in our industry from the United States, or as high as 70 per cent—let me put it that way—are in components. This permits the production of goods in this country whereas if those components were not available those goods could not be produced and the total product would have to be imported.

Let me give two examples. Take a consumer product like automatic laundry equipment, automatic washing machines. In the early days following World War II, 1948 and 1949, when this market just started in Canada, the market available to a domestic producer would have been completely uneconomic to fill from a 100 per cent domestic production. Many companies will start out by importing the complete product in order to open a market. The next step is to import components, adding some parts, some labour and some final production in this country. Gradually, as the market develops, more and more of the components are made in this country.

In 1930 when my company first entered the refrigerator market we imported refrigerators 100 per cent. Today the refrigerators which form the bulk of Canadian demand are 95 per cent produced in Canada, the other 5 per cent is imported because it is purchased on an economic basis and because it is only available elsewhere.

The point is that this flow of components actually generates employment and production in Canada. I said I would give two examples. A second example is this. About a year ago November there developed a requirement for gas turbines in Canada. These are very large, costly and intricately engineered pieces of apparatus. Due to the climatic conditions this equipment had to be installed in the summer months. We accepted an order for very short delivery. This apparatus had never been produced in Canada and only a few were actually operating in this country. We accepted the order and produced them in our own factories and they contained a little over 50 per cent Canadian content. We will produce more this year and they will have 85 per cent Canadian content.

The point is that had there not been the availability of components we could not have taken that order or put them into production in Canada and thus provided labour. The finished product would have been imported as it had historically been in the past. Once we get into the business we continue to increase the Canadian content. Our aim in this product is 95 per cent.

I can talk about these two products because I happen to be intimately connected with them but Mr. Style, Mr. Kerr and Mr. Edmondson could give you the same kind of examples.

When you look at the imports I suggest that it is valuable to keep in mind the percentage of the total that is in the form of components and that the alternative would be to take away the business from Canadian secondary industries. The importation of components is actually assisting Canadian secondary industries to get into the production of these goods. Each year and each cycle more and more of the products that were imported a few years