attitudes at both the provincial and federal levels so that we may put this whole issue into context. I will use as an example the Liberal government in Saskatchewan under the premiership of Mr. Thatcher in 1971. I do not think you could find a more dedicated free enterpriser anywhere in Canada. Let us just see what this provincial government--and there are many examples—tried to do in 1971.

In 1971 there was a project to develop a $177 million pulp mill at Dore Lake. The mill was to be built and mostly owned by Parsons and Whittemore Incorporated of New York. Remember, this is an American company. What would result, unfortunately would be more competition for Canadian industry in this precarious pulp and paper market. Here is how the capital cost of $177 million was financed. This is typical of so many Progressive Conservative and Liberal governments throughout history. We find that $141.7 million of this capital cost was to come from or be guaranteed by the Canadian public, and this is broken down as follows. The American company was to receive $107 million as a provincial guaranteed loan, $12 million as a federal grant, $7.2 million as equity investment by Saskatchewan, and $19.1 million from Saskatchewan as road grants, part or half the contingency plans, an equipment loan and other credits. Of the $145.3 million the province was to get back only $3.6 million as a guaranteed fee.

What did the American partner in this venture, Parsons and Whittemore, put up as part of the required $177 million? They put $16.8 million into equity investment, $3 million as its half of the contingency loan fund, for a total of $19.8 million. The U.S. Export Import Bank guaranteed equipment financing by a loan of $12 million. So the company then put up 11 per cent of the total investment. What did it get in return? It got 70 per cent ownership of the mill through share equity, that is 70 per cent of profits, whereas the provincial government under the Liberal premiership of Mr. Thatcher was to get only 30 per cent of ownership. The company got another $12 million in contract fees for building the mill. It got about $2 million as an annual commission on sales.

The profit on sales of machinery from this wholly owned subsidiary was also in the hands of the company. The company got exclusive timber rights on 23,000 square miles of Saskatchewan, which is twice the size of Belgium, and had in effect a monopoly on all the pulp within the province. It was the province, not the company, which was to be responsible for replacing slashed timber. The company would pay only 25 cents per cord for reseeding and, in addition, the mill would consume 56 million gallons of water from the Dore and Beaver rivers with very little anti-pollution control.

So here, then, is the rationale of the Thatcher give away, or the attempted give away. He said since it was necessary to create jobs it was all right to give all this financial advantage to a foreign corporation. The premier claimed that 1,200 jobs would be created during construction and 1,600 during the operation of the mill. However, the truth was, as it was discovered later by the vice president, there would be 450 jobs in the mill and about 800 in the woods, which works out to a grand total of $157,333 for each job created. Fortunately, the people of Saskatchewan came to their senses, elected an NDP government, and the whole deal was scrapped.

I could give other examples of the Conservative government in Manitoba under Premier Roblin and the great The Pas pulp and paper deal which was equally disastrous, or Joey Smallwood in Newfoundland and the Come-By-Chance refinery. What I am trying to show is that many provincial governments under Conservative and Liberal leadership contributed to the sell-out of Canada's economy.

What has the federal government done with regard to foreign ownership? The Liberals, I am afraid, have been continentalists from the time of Laurier. Foreign investment was welcomed, especially after World War II, with the encouragement of C.D. Howe. What has been the result of this Liberal government in action? Today, the percentage of foreign ownership in Canada, is as follows, and indeed it is a frightening list. In the printing and publishing industry, 20.4 per cent is foreign owned. In the wood industries, 42.6 per cent is foreign owned. In the mining industries, 60 per cent is foreign owned; mineral fuels, 82.5 per cent; machinery, 73.2 per cent; transportation equipment, 86.4 per cent; rubber products, 92.7 per cent, and petroleum refining, 99.9 per cent. Some 59 per cent of the total manufacturing capability in this country is foreign owned. On the average, approximately 80 per cent of foreign-owned industry in Canada is under American control.

• (1540)

Figures issued by the Dominion Bureau of Statistics in 1969 show that foreign investment in this country totalled over $46 billion. When we examine the assets of corporations, the frightening finding is that corporations with $5 million in assets are 29 per cent foreign controlled, those with $5 million to $25 million in assets are 50 per cent foreign controlled, and those with over $25 million in assets are 54 per cent foreign owned. The statistics in themselves are frightening, but what are the implications? Foreign domination in this country means mostly American domination. Let us not kid ourselves. The Americans are not here out of the goodness of their hearts. They want our resources and they want profits from Canada, and they are going to place United States interests before Canadian interests. Mr. Speaker, I would like to give you some examples of how foreign interests take precedence over Canadian interests.

First of all, American corporations or subsidiaries in Canada have to obey the provisions of the United States Trading with the Enemy Act. As a result, there have been numerous instances where subsidiaries in Canada wanted to sell products to foreign countries but were barred from doing so, not by Canadian law but by American law. I can think of our flour mills being prohibited from selling flour to Cuba and of truck and fertilizer plants being prohibited from selling their products to China. In these instances we have a foreign government interfering in our economy. Second, United States anti-trust legislation also applied to American subsidiaries in Canada. We can document at least 20 cases in Canada's history where the U.S. regulations on company merging policy have taken precedence over Canadian government policy, or irrespective of