

You are aware that wholly-owned Canadian subsidiaries of foreign corporations do not publish financial statements or provide public information of their activities in Canada. Among other things, one consequence has been to make research particularly difficult. The Corporations and Labour Unions Returns Act, introduced several years ago, should change this, but it has not been in effect long enough to have made much difference up to now. You will be glad to know that the Dominion Bureau of Statistics will be publishing a first report very shortly, based on material obtained from Canadian companies and unions under this Act.

In 1955, foreign long-term capital invested in Canada was valued at \$13.5 billion. Of this amount, \$10.3 billion (80 per cent) was owned in the United States. Direct investment - that is, investment in enterprises controlled outside Canada - was \$7.7 billion, of which the United States accounted for \$6.5 billion. In 1962, the last year for which data are available, foreign long-term capital invested in Canada was \$24.7 billion, of which \$19 billion was from the United States. Of this total, direct investment owned outside Canada was \$14.5 billion, of which the United States accounted for \$11.8 billion.

The figures showing foreign ownership in Canada's industrial sector are perhaps more revealing. In 1954, fully one-third of Canada's industrial sector was owned abroad, with the United States owning some 25 per cent. By 1962, the comparable figures are 35 per cent and 28 per cent respectively. In 1954, foreign control of Canada's industrial sector was 28 per cent, of which the United States share was 24 per cent. In 1962, the comparable control figures were 34 per cent and 27 per cent respectively.

A few more control figures with a rather more meaningful breakdown: In 1954, non-residents controlled 51 per cent of total investment in Canadian manufacturing - 69 per cent in petroleum and natural gas and 51 per cent in mining and smelting. In that year, the United States share was 42 per cent in manufacturing, 67 per cent in petroleum and natural gas and 49 per cent in mining and smelting. In 1962, non-residents controlled 60 per cent of investment in Canadian manufacturing, 74 per cent in petroleum and natural gas and 57 per cent in mining and smelting. The United States share for that year was 45 per cent in manufacturing, 62 per cent in petroleum and natural gas and 51 per cent in mining and smelting.

I don't want to burden you with too many figures, but let me read quickly the percentages for United States control in 1954 and 1961 for certain key sectors of Canadian manufacturing:

- Automobiles and parts - 95 per cent in both years;
- Rubber - 84 per cent and 91 per cent;
- Electrical Apparatus - not available in 1954; 66 per cent in 1961;
- Chemicals - 51 per cent and 54 per cent;
- Pulp and Paper - 45 per cent and 35 per cent;
- Transportation equipment - 21 per cent and 27 per cent;
- Agricultural Machinery - not available in 1954; 25 per cent in 1961;
- Iron and Steel mills - 6 per cent and 13 per cent;
- Textiles - 10 per cent and 14 per cent.