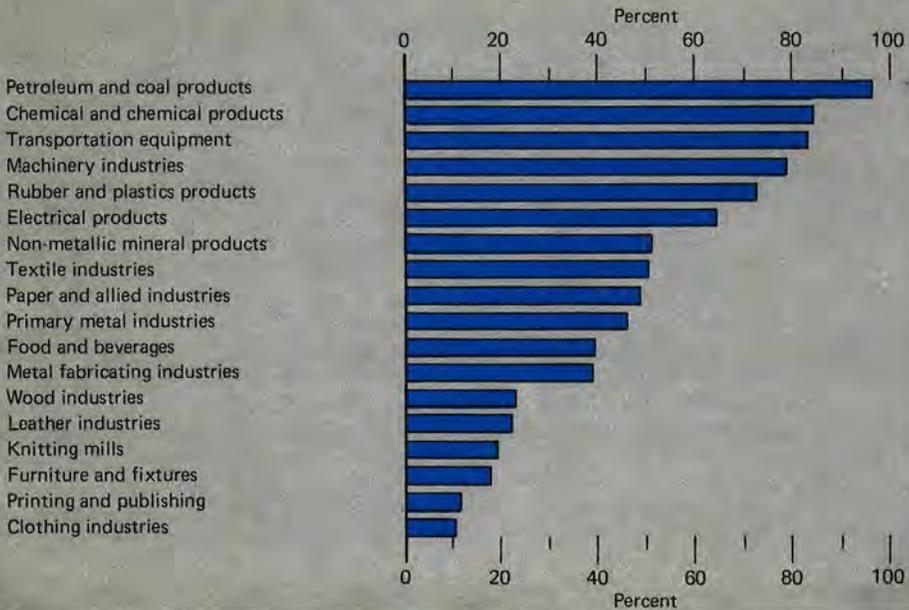


### Foreign-controlled share of value added in selected industry groups, 1970 Census of Manufactures



and marketing gives some advantage to US companies. Most of the paper and allied industries (49.2%) report a relatively high degree of foreign control. Pulp and paper mills, the most important industry in the group and Canada's largest industry in 1970 in terms of value added, is 47.8% foreign controlled. Among the industries for which data can be published, the miscellaneous paper converter industry reported the largest percentage of foreign control (63.1%). Branch plants produce international brand names of paper products which are supported by intensive consumer advertising.

The printing and publishing group (11.6%) has the second highest degree of Canadian control of total value added and the highest Canadian control in terms of number of employees. The nature of the markets and the fact that technological advances, though important, are developed chiefly by foreign suppliers of equipment, favours Canadian control. Foreign control of total value added ranges from 2.6% in publishing and printing to 34.4% in the "publishing only" industry. The latter industry consists of publishers who do not operate their own printing plants; the foreign ownership is attributable largely to US owned consumer magazines with Canadian editions and to book publishers.

In the primary metal industries (46.6%) iron and steel mills are only 14.5% foreign controlled, but smelting and refining has the industry group's largest foreign control, 87.3%. It represents a classic case of foreign capital from countries needing industrial materials seeking opportunities in countries able to supply the raw materials; iron and steel mills, on the other hand, largely serve Canadian industry and Canadian enterprises dominate. Half of the industries in the metal fabricating group (39.1%) are 46% or less foreign owned. Foreign control varies from a negligible 2.6% in machine shops to 57.5% in boiler and plate works, where the engineering background necessary for larger projects and the integration of international operations have encouraged large branch plants.

In the machinery industries (79.2%) engineering knowledge and the advantages of large-scale international operations have aided foreign companies in establishing and expanding in Canada. Some sell product lines which are partly made in Canada and partly imported. Foreign