

Why Canada supports South Africa

Though the Canadian government has mouthed moral indignation over the apartheid system in South Africa and has endorsed an international trade embargo, they have been toothless in dealing with continued corporate investments. They have stood back and in some cases endorsed both the investments by Canadian corporations in South Africa and South African corporations in Canada.

This is not unusual for the Canadian Government or its Crown corporations since its most influential members and economic planners represent some of Canada's biggest corporations. With such overlapping power groups of corporations and governments it's not unusual that Canada's external affairs department and its external affairs policies should reflect an attitude of what's good for business is good for the government.

This hypocritical role goes so far as supporting the Canadian Development Corporation (a federally sponsored corporation) which invests funds in other countries. CDC has holdings in South Africa, and has economically sponsored corporate investment by Brascan in Brazil, and Noranda in Chile.

Where even angels fear to tread, Canadian banks were some of the first to invest—especially in third world dictatorships where the profit returns are high and the labour costs cheap. South Africa has captured a good degree of international corporate investments because of just these factors.

Canadian corporation and banks have jumped into the South African economy over the last decade in order to get their high returns at the expense of black workers. But don't complain to them about it or else they will tell you, in the words of Alfred Pavis, "We aren't interested in politics, we are interested in economics and a good return on our investment."

Pavis is the president of Noranda Mines Ltd., which, you will remember, is Canada's gift to Chile. Noranda is the epitome of a corporation that cares nothing about politics and even less about the morality and ethics of the regimes they prop up with their investments. Noranda has large holdings, many of them jointly held with other corporations or covered by dummy corporations, in both Chile and South Africa.

Below is a list of Canadian corporations and their subsidiaries in South Africa. Several Canadian banks are missing from this list. These are: Toronto-Dominion, Bank of Montreal, Royal Bank, and the most notorious, Canadian Imperial Bank of Commerce. Research on these banks and their investment is being done, but their holdings are extremely extensive and well hidden through a maze of international corporations and cartels. But they all are investing in South Africa and are directly lending money to the South African government.

The Canadian Imperial Bank of Commerce CIBC ties into the Anglo-American Corporation both in Canada and their International group. As well, the CIBC plays an important role in financing the Rothmans group in South Africa. The Canadian Investment Corporation, "The Investors Group", shares members of their board of directors with Anglo-American Corp. of Canada and acts as an agent for South African investment in Canada.

The Bank of Montreal works through several international finance groups for investing in manufacturing in South Africa. One of these is Edesac, which is organized by the man who built the Rothmans of South Africa empire, Anton Rupert.

Alcan Aluminum Corp.

Owns Silicon Smelters Ltd. of South Africa, Hulets Aluminum Ltd. of South Africa, Acosa Ltd. of South Africa. These are subsidiaries of the

Aluminum Co. of Canada and are involved in the mining of bauxite; production, fabrication and sales of aluminum and aluminum products; and the sale of hydro electrical power.

Canadian Development Corporation

Owens Connlab Holdings Ltd. of Canada, and Dumex Ltd. of South Africa. Connlab Holdings Ltd. has extensive holdings in the health care industry and produces biological and pharmaceutical products. These are distributed world wide through its subsidiaries and these in turn are involved in research and development.

Hudsons Bay Company
Falconbridge Nickel Mines Ltd.
Canadian Pacific Ltd.

Maclean-Hunter Ltd.

Maclean-Hunter Ltd. is one of the big ten Canadian media corporations publishing such magazines as: *Maclean's*, *Chatelaine*, *Financial Post*, as well as two French language consumer periodicals (*Le Maclean's*), and forty-six English language and ten French language business publications. The president of Maclean-Hunter Ltd. sits on the board of directors of CTV. Maclean-Hunter own several TV stations and radio stations including: CFCN Calgary and CFCN Lethbridge. Maclean-Hunter now owns 100% of MacMillan Publishing Co. and has members of its board of directors sitting on the boards of several banks in Canada including the Toronto-Dominion and the Royal, both banks are involved in South Africa. Maclean-Hunter owns Westbourne-Macleon-Hunter (PTY) Ltd. of South Africa, and this company publishes various business and consumer magazines akin to their publications in Canada.

Massey Ferguson Ltd.

Own six direct corporations in South Africa and Malawi. These are: Masfergo Holdings (SA) Ltd., Massey-Ferguson (SA) Ltd., Rhoplw Ltd.

(SA), Agrimal (Malawi), Ltd., Slattery Investments Ltd. (SA), Perkins Engines Ltd. (SA).

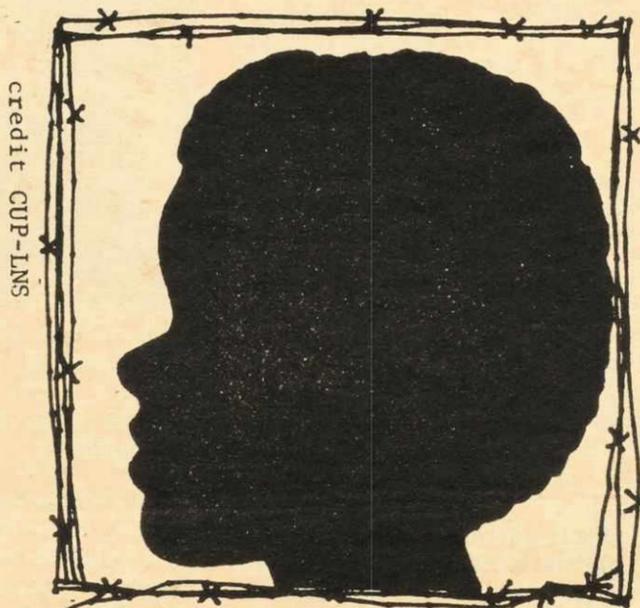
Seagram Co. Ltd.

Seagram has been known as a large distillery and brewery company in Canada for many years. They also trade and market their products world-wide. In the past few years Seagram has taken a strong anti-union stand in Canada, and at one point brewery workers called an eight month boycott of Seagram after they were locked out. Seagram owns the highland Bonding Co. of South Africa, a brewery/distillery and importer of alcohol.

International Nickel Company of Canada [INCO]

Noranda Mines Ltd.

Shares mining operations with INCO and has two indirect subsidiaries in South Africa.



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International Harvester Co. of Canada Ltd.
Reed Shaw Osler Ltd.
Brilund Mines
Consolidated Bathurst Ltd.
Canada Wire & Cable Co. Ltd.

When you begin to look at the boards of directors of the above mentioned companies, you will see a far clearer picture. Many of the directors of one company sit on the boards of the others, thus affecting the decisions of who will invest where. As one random example let us look at a member of the board of directors of Seagram Ltd.

I.D. Sinclair is chairman of the board of the Bank of Montreal, director of Seagram Ltd., chairman of CP Investments Ltd., CP Securities and CP Air Lines, Vice president and director of Cominco Ltd., vice-president of the Royal Bank of Canada, director of CP Steamship Lines, director of Trans Canada Pipelines Ltd., director of 500 Line Railroad Co., director of the Canadian Investment Fund, Director of MacMillan Blodel Ltd., member of the advisory board to the Chase Manhattan Bank.

Most of these companies have holdings in South Africa or are owned in whole or in part by South African companies. There is no conspiracy, rather there is a small corporate elite in Canada and the world whose interests are protected by interlocking directorships.

Is it any wonder that Canada's foreign policy reflects support for authoritarian regimes when the men who directly effect those policies as advisors, ministers or economic associates all belong to the same exclusive clubs and sit on each others corporate boards?

Most of the research on this article and the previous one on South African companies in Canada was done by the Edmonton Free South Africa Committee, an ad hoc group of concerned university professors, students and citizens. They have published two invaluable documents of corporate research entitled: *Millions Against Millions* and *Canadian Complicity in Southern Africa: An Inventory of Corporate Connections*.