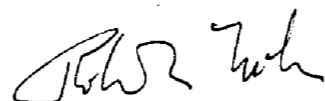


In the circumstances outlined above -- that is, in comparison to the 1980s, a now much lower participation rate of Canadian companies in South Africa and the consequent diminished non-White labour force, coupled with the fact that actual Canadian management in or control of the business entities concerned is virtually non-existent -- Canada's real capacity to influence the issues in this area is now significantly diminished. This suggests a re-evaluation of the necessity to continue monitoring the performance of Canadian-related companies through an independent administrator and, indeed, raises the issue of the future value of the Code as it is presently constituted, particularly in the changing political circumstances of South Africa.

Yours sincerely,



Robert W. McLaren
Administrator

Enclosure

CODE OF CONDUCT

CANADIAN COMPANIES IN SOUTH AFRICA

1990-1991