TABLE III

PERCENT EQUITY HELD BY CANADIAN COMPANIES IN THEIR SOUTH AFRICAN AFFILIATES

Canadian Company	Affiliates	% Equity
1. Bauer & Crosby Inc.	Bauer & Crosby (Pty) Ltd.	100
2. Bayer Foreign Investments Ltd.	(1) Bayer South Africa (Pty) Ltd.	74
	(2) Bayer Miles (Pty) Ltd.	100
	(3) Chrome Chemicals (South Africa) (Pty) Ltd.	100
	(4) Haarman & Reimer (SA) (Pty) Ltd.	50
	(5) Rubber Chemicals (Pty) Ltd.	100
	(6) Vergenoeg Mining Company (Pty) Ltd.	100
3. Govt. of Canada (Dept. of External Affairs)	Canadian Embassy, Pretoria	
4. JKS Boyles International Inc.	JKS Boyles (Pty) Ltd.	70
5. Menora Resources Inc.	Ocean Diamond Mining Limited	18.3
6. National Business Systems Inc.	ABS Computers (Pty) Ltd.	16
7. QIT Fer et Titane	Richards Bay Minerals	42.6
8. Sternson Limited	Sternson (South Africa) (Pty) Ltd.	24
9. Varity Corporation	Fedmech Holdings Ltd.	9.25
10. Unican Security Systems Ltd.	ILCO Unican (SA) (Pty) Ltd.	100

and Sternson - the others plan to continue their South African operations for the time being. This intention reflects their continuing confidence in the South African market for their products and services and, to some extent, a desire to remain in that market while their main competitors are still there.

The Canadian Code of Conduct applies to all Canadian companies with operations in South Africa, regardless of the value of their investment or number of personnel involved. Thus, the size of their affiliates in employment terms ranges from the smallest with two employees to the largest with nearly two thousand. In terms of equity held by Canadian companies in their South African affiliates, the range varies between 9.25% and 100%. At present half hold a majority share in their affiliates while the remainder have less than 50% equity (Table III).

With the decline in number of Canadian companies operating in South Africa has come a corresponding decrease in the significance of their affiliates to the South African economy. Where three years ago eighteen Canadian companies were affiliated with thirty South African enterprises, at the end of 1987 ten remained with a total of 15 South African affiliates. In terms of direct investment this represents a 58% drop between 1981 and 1987 as shown in the following Statistics Canada figures (Table IV).

TABLE IV

DIRECT CANADIAN INVESTMENT IN SOUTH AFRICA (1981-87)

Year	Millions of Canadian Dollars
1981	239
1982	221
1983	213
1984	145
1985	116
1986	200 (preliminary)
1987	100 (preliminary)

The anomaly represented by the 1986 increase suggests higher retained earnings of some affiliates and, possibly, Falconbridge's temporary reinvestment which was part of a series of transactions that ended in the total disinvestment of its South African interests.

The 84% decline in employment terms is even more striking. From a total high of 26,000 (20,000 non-White) employees in Canadian affiliates in 1985, the figures fell in 1986 to 11,000 (7,600) and, at 31 March 1988 stood at 5,172 (3,084). (Tables V and VI)