

Table III reflects the status of Canadian firms with respect to reporting under the Code of Conduct over the past two years. Those that failed to submit reports on their affiliates' employment practices in 1986 did so on the ground that, having disinvested, they were unable to obtain the necessary information from their erstwhile partners. The desire to avoid further publicity and to obtain maximum credit from their action to disinvest seem to have been additional contributing factors. Nevertheless, half of the companies that disposed of their South African assets in 1987 were able to submit reports on the 1986 operations of their affiliates.

TABLE III

STATUS OF CANADIAN COMPANIES WITH RESPECT TO:  
(A) REPORT SUBMISSION (B) DISINVESTMENT

(Figures in brackets indicate no. of affiliates)

		(A)	Reported	(B)	Disinvested
		1985	1986	1986	1987
<u>Disinvested in 1986</u>					
1. Alcan Aluminium Ltd.	(1)	Yes	No	x	
2. Bata Limited	(3)	Yes	No	x	
3. Dominion Textile Inc.	(1)	Yes	No	x	
4. Jarvis Clark Co. (CIL)	(1)	Yes	No	x	
5. Menora Resources Inc.*	(1)	No	Yes	x	
<u>Disinvested in 1987</u>					
1. Cominco Limited	(2)	Yes	Yes		x
2. DeLCan Limited	(1)	Yes	No		x
3. Falconbridge Limited	(2)	Yes	No		x
4. International Thomson Organization Ltd.	(1)	Yes	Yes		x
5. Joseph E. Seagram & Sons Ltd.	(1)	Yes	Yes		x
6. Moore Corporation	(2)	Yes	No		x
<u>Retain Affiliates in South Africa at 31/5/87</u>				<u>Intend to Disinvest</u>	
1. AMCA International Ltd	(1)	Yes	Yes		x
2. Bauer & Crosby Inc.	(1)	No	Yes		
3. Bayer Foreign Investments Ltd.	(5)	No	No		
4. Dept. of External Affairs - Canadian Embassy, Pretoria	(1)	No	Yes		
5. Champion Road Machinery Ltd.	(1)	Yes	Yes		
6. Cobra Metals & Minerals Inc.	(2)	No	No		x
7. Ford Motor Company of Canada Ltd.	(1)	Yes	Yes		
8. JKS Boyles International Inc.	(1)	No	Yes		
9. Massey-Ferguson Ltd. (Varity Corp.)	(2)	Yes	Yes		
10. Menora Resources Inc.*	(1)	No	Yes		
11. National Business Systems Inc.	(1)	No	No		
12. QIT-Fer et Titane Inc.	(1)	Yes	Yes		
13. Sternson Ltd.	(1)	Yes	Yes		

\* Minora Resources Inc. ceased operations late in 1986 but resumed small scale activity early in 1987.

The Canadian Code of Conduct applies to all Canadian companies with operations in South Africa, regardless of the size of investment or number of personnel involved. Thus, a company with only five employees, one of whom was Black, reported on both its 1985 and 1986 operations. That company has now withdrawn from South Africa but another firm of the same size, with no Black employees, Bauer & Crosby Inc., has reported this year.

The percent equity in South African firms held by Canadian companies is shown in Table IV. There it can be seen that, apart from the Canadian Embassy, only five Canadian companies hold more than 50% equity in their South African affiliates. The holdings of the remaining seven range from 49% down to 0.001%.

Given the minority shareholder status of more than half the remaining Canadian companies with affiliates in South Africa, along with their remoteness from the scene of operations, their ability to influence their South African partners is limited. This problem relates both to employment practices and to provision of the information required to complete the Standard Reporting questionnaire. Another inhibiting factor has been the South African legal requirement to clear with the Ministry of Trade and Industry all commercial information which is to be transmitted abroad. Notwithstanding these obstacles, the Canadian companies, with one or two exceptions, have readily cooperated in providing the information requested under the Code of Conduct. An exception has been Bayer Foreign Investments which, in the light of the circumstances described earlier, has chosen to report by way of its parent, Bayer AG of Leverkusen, to the West German authorities under the European Community Code of Conduct. The same considerations, however, have not prevented reporting under the Canadian Code by other Canadian companies, such as the Ford Motor Company of Canada and QIT-Fer et Titane which also report under the U.S. Sullivan System and, previously, Falconbridge under the European Code via its former partner, Lonrho.

The contribution to the South African economy, particularly to employment, made by Canadian affiliates has diminished more than the number of 1986 Canadian withdrawals would suggest. If the 1987 disinvestors are included, the figures become even more significant. Thus, in 1986 the affiliates of the five Canadian firms that ended their South African ventures employed approximately 7,250 people, of whom 5,500 were Black. The affiliates of the six Canadian companies that disinvested early in 1987 employed over 5,600, of whom nearly 4,800 were Black. Taken together, these figures demonstrate that some 50% of the affiliates' total employment of about 26,000 and 55% of their Black, Asian or Coloured employment of 20,000 have been lost to the Canadian connection. Table V reflects this situation.

The number of employees of Canadian affiliates remaining in South Africa on 31 March 1987, totalled about 11,000 (of which approximately 7,600 were Black, Asian or Coloured). In one or two cases affiliates did not differentiate between employees designated under South African rules as Asian, Black or Coloured. Also, if totals provided above and