

future. Although Britain has broken ranks with its European Community partners by lifting the voluntary ban on new investment in South Africa, this is regarded as a symbolic gesture which is unlikely to encourage an early flow of fresh capital into South Africa, given the unattractive economic climate prevailing there. Similarly, for Canadian and Australian investors there is little appeal in the present situation and they seem prepared to wait for a signal from their governments before embarking on fresh ventures in South Africa.

In Canada, anti-apartheid individuals and organizations remained active in 1989, following events in South Africa and maintaining pressure on companies involved there. In the academic community, virtually all the major universities and colleges either have already divested or are in the process of divesting their endowment fund portfolios of shares in enterprises connected with South Africa. The picture varies with respect to pension fund investments which fall under provincial jurisdiction. In some cases, pension fund trustees are enjoined by provincial legislation to make their investment decisions on financial, as opposed to political or moral, considerations only. Other provinces have no such constraints. In the case of Ontario, the constraints were removed by the enactment of Bill 9 in December 1988 and both the University of Toronto and York University proceeded in 1989 with disinvestment of pension fund investments in South Africa related enterprises. There were sporadic anti-apartheid demonstrations in universities across Canada but generally in 1989 students appeared to be less pre-occupied with South Africa and more concerned with the personal issues of higher fees and post graduation employment.

As for the nature of Canadian company investment in South Africa, this is spread across agricultural equipment, chemicals, construction, consumer goods distribution, mining (off and on shore) and pharmaceuticals. As in the past, these interests are pursued under present circumstances for a variety of reasons including: profitability; confidence in the future for their products and services; desire not to vacate the market for their competitors; and the wish to avoid the financial loss entailed in repatriating capital through conversion at the artificially low rate of the financial Rand. In addition, today there is a growing optimism that political and economic reform will before long open the way to commercial activity under more normal political and economic conditions.

The Canadian Code of Conduct applies to all Canadian companies with direct investment in South African affiliates, regardless of the magnitude of the investment or the number of personnel involved. The degree of equity held by Canadian companies currently ranges between 7 and 100%. During 1989, there were minor changes in the equity held in their affiliates by Sternson Ltd. and Menora Resources Inc. For Sternson, the fall was from 24 to 19.2% while Menora's holding declined marginally from 15.8 to 15%. In each case, the drop occurred as a result of dilution from the addition of non-Canadian capital, not from the sale of Canadian shares. As mentioned earlier, one new company has been included, Bocknek Ltd., whose equity holding in its South African

TABLE V

TOTAL AND NON-WHITE EMPLOYMENT IN AFFILIATES
OF CANADIAN FIRMS THAT HAVE DISINVESTED

<u>1986 Disinvestors*</u>	<u>Total Employment</u>	<u>Non-White Employment</u>
Alcan Aluminium Ltd. (3 affiliates)	3,606	2,848
Bata Limited (3 plants)	3,253	3,090
Dominion Textile Inc.	270	129
Jarvis Clark Co. (CIL)	89	28
	<u>7,218</u>	<u>6,095</u>
<u>1987 Disinvestors**</u>		
AMCA International Ltd.	35	18
Champion Road Machinery Ltd.	53	19
Chempharm Ltd. (Estimate)	200	150
Cobra Metals & Minerals Inc. (2 affiliates)	521	425
Cominco Ltd. (2 affiliates)	126	109
DeLCan Ltd.	110	10
Falconbridge Ltd. (2 affiliates)	4,757	4,426
Ford Motor Co. of Canada Ltd. (2 plants)	4,853	3,298
International Thomson Org. Ltd.	123	31
Joseph E. Seagram & Sons Ltd.	5	1
Moore Corporation (2 affiliates)	529	270
	<u>11,312</u>	<u>8,757</u>
<u>1988 Disinvestors***</u>		
JKS Boyles International Inc.	9	3
National Business Systems Inc.	170	54
	<u>179</u>	<u>57</u>
<u>1989 Disinvestors****</u>		
QIT-Fer et Titane Inc.	2,058	1,463
Total 1986-89	20,767	16,372
* 1985 figures.		
** All figures are for 1986 except those for DeLcan and Falconbridge which are for 1985.		
*** 1988 figures.		
**** 1989 figures. See Table I.		