



DEPARTMENT OF EXTERNAL AFFAIRS  
MINISTÈRE DES AFFAIRES EXTÉRIEURES

# communiqué

N°:  
No.: 201

November 19, 1986.

## SOUTH AFRICA: FALCONBRIDGE INVESTMENT

The Secretary of State for External Affairs, the Right Honourable Joe Clark, today made the following statement:

"I regret Falconbridge's decision to increase its investment in Western Platinum Ltd. of South Africa. This decision contravenes Canadian Government policy with regard to South Africa.

At the Commonwealth Heads of Government meeting at London in August, Canada agreed to a ban on new investment or reinvestment of profits earned in South Africa. This measure was specifically brought to Falconbridge's attention in a letter from me to the President of Falconbridge dated October 30, in which I asked for the company's support in applying this measure.

We think that Canadians share our abhorrence of apartheid and are willing to cooperate with the Government. That view has been borne out by the success of our voluntary ban, for example, on the sale of Krugerrands in Canada and on bank loans to South Africa. Voluntarism remains our preference, although that approach will naturally be affected by the degree of compliance shown by Canadian companies. In the wake of Falconbridge's decision we will review closely the mechanism for implementing the policy on investment.

As indicated by the Deputy Prime Minister in the House of Commons on November 18, the President of Falconbridge has now met in Ottawa with Mr. Mazankowski to discuss both the Government's policy on South Africa and the economic situation in Sudbury region.

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I plan to consult further with Canadian investors in South Africa on Canadian policy. This is part of a continuing dialogue with Canadian business on our policy towards South Africa. In preparation for these contacts, Archbishop Ted Scott has, in recent weeks on my behalf, spoken to several Canadian and U.S. firms who have recently disinvested or announced their intention to disinvest from South Africa."