

-----Original Message-----

From: Mike & Susan [mailto:emesbee@telus.net]

Sent: September 12, 2000 11:14 PM

To: B  champ, Mario: #CB - BC

Subject: Re: Canadian Cut

Competition Bureau

I have been involved in diamond cutting and polishing for more than thirty years in South Africa. For the past three years I have been active in the diamond industry in Vancouver BC.

Having cut and polished coloured gemstones and diamonds of importance over these years, including the largest stone yet cut in Canada, it is my learned opinion that the country of origin where the diamond was mined has no bearing on the final product. Diamonds, unlike coloured gemstones are graded to accepted international standards without reference the country of extraction. Once polished, the colours of diamonds are generic. Coloured gemstones on the other hand like ruby, sapphire, opal and emerald are often referred to as Burmese, Ceylon, Australian and Columbian, to mention some. The reason being that these gemstones exhibit specific colour characteristics once they are polished.

With the emerging diamond polishing industry in Canada emphasis should be placed on quality of workmanship that would distinguish a Canadian diamond. With this in mind, greater emphasis should be placed on training of a competent workforce that would be above average.

The NWT government has worked tirelessly to establish standards for the Diamond Industry. As a consultant to the Department of Education I can verify their efforts as being groundbreaking at a scale that the international diamond industry has not seen to date. The standards, curriculum, test items and evaluation of candidates could become the global industry standard.

Canada is well positioned to distinguish itself as a formidable diamond cutting centre. Given the facts, we could well become the industry leaders, taking over from the Russians, Belgians and South Africans as the country that produces the finest gems in the world. Diamonds fully cut in Canada should qualify as "Proudly Canadian" irrespective of the primary origin of the diamonds.

As a long term objective we should envisage an industry that extends beyond the lifetime of the Canadian mines. After all, countries like Israel and Belgium do not have mines, yet have large industries employing thousands of people and add millions of dollars to their Treasuries in the form of taxes.

My company, Embee Diamond Technologies Inc. is currently contracting and contributing to the diamond industry in the following fields:

specialized polishing of larger and intricate diamonds

equipment development

education

consulting

Please do not hesitate to contact me should you so desire.

Mike Botha