

attention to such unions and be prepared to conclude recognition agreements with them. This should not, of course, be at the expense of the employees' freedom of choice.

Section 2(a) of the Code asks companies to allow collective bargaining "in accordance with internationally accepted principles." These are the well established standards in the field of human rights approved by the International Labour Organization. The Declaration, adopted unanimously in 1973 by the Executive Committee of the International Labour Organization of Employers, appeals "to all employers in South Africa to take urgent measures to promote the conditions necessary for acceptance" of these standards. The suggestions made in Section 2(b) and 2(d) of the Code are examples of action which employers can take to ensure that Black employees can exercise freedom of choice and of association. Other steps which employers can take include an understanding that employees will not be victimized on account of trade union membership or for participation in trade union affairs.

Minimum Wage

The improvement of the wages of Black employees is an important issue, especially in respect of the minimum wage, that is, the wage of the lowest-paid employee in the company. Employees should be guaranteed a standard of living that will allow them some dignity. Thus, companies are asked to report their minimum living levels.

The standards used based on a family of five or six as an average size of an African family are the monthly Minimum Living Level (MLL) established by the University of South Africa (UNISA), and the monthly Household Subsistence Level (HSL) established by the University of Port Elizabeth (UPE). These standards are calculated from statistical studies, periodically updated, carried out by the two universities at various locations, including separate surveys for rural areas. For example, as specified by UNISA in a 1985 study, *"The Minimum Living Level denotes the minimum financial requirements of members of a household if they are to maintain their health and have acceptable standards of hygiene and sufficient clothing for their needs."*

The MLL or HSL, representing purely a subsistence budget, cannot, however, be regarded as a satisfactory standard and companies should, instead, use the Supplemented Living Level (SLL) or the Household Effective Level (HEL) recommended, respectively, by UNISA and UPE as the minimum guideline. The SLL, as described by UNISA, is not a subsistence budget, nor is it a luxury level. At best, it is an attempt at determining a modest low-level standard of living. It should, as the Code stresses, be regarded as an absolute minimum, and not as a target.

Minimum pay conforming to the SLL would be roughly 30% higher than a rate based on MLL. The Canadian Government nevertheless strongly urges companies to strive for a minimum rate of pay at least 50% in excess of the MLL within the shortest possible time frame.

In view of the special circumstances encountered in such areas, companies operating in defined rural areas should pay at least the MLL or HSL and achieve the SLL or HEL within five years by regular annual pay increases. The company policy with respect to such a timetable should be submitted in writing to the Administrator and the results reviewed in the company's annual report.