annual contract. As one point of difference a contract worker who is not in the migrant category could be classified as a commuter because he or she travels daily between the workplace, located in an urban area and the family residence, located usually in a neighbouring township or "homeland" area. Migrant workers are drawn from much more remote areas either within South African territory or from outside areas contiguous to South Africa's borders. They are housed in the townships or at the workplaces, e.g. mining operations, in single-sex hostels and may be provided with food and other facilities and benefits deemed to form part of the compensation arrangements of this kind of contract. (Both categories of contract are governed by South African laws and regulations).

Only one subsidiary of a Canadian company is involved in the contractual employment of migrant workers and the number it employs under such annual arrangements is 4,201.

As a variation on the above mentioned arrangements the subsidiary of another mining company accommodates part of its workforce in single-sex hostels and provides them with board and other relevant benefits. But the employees concerned are permanently employed rather than hired under contract. Their homes are located within a radius of seventy-five kilometres of the workplace and, with transportation provided free by the employer, they rejoin their families for several days each month. These employees thus do not come within the category of migrant workers. Whether or not an employee has migrant status, if board and lodging are provided by the employer they are under local practice regarded as components of an employee's remuneration, and a calculation or estimate of these amounts duly related to estimates of living costs in the locality concerned has to be included in a compilation of the employee's monthly income. Estimates of these different kinds are included in the country-wide surveys conducted by the two universities mentioned below.

In the spirit of the Code of Conduct the objective of guaranteeing employees a standard of living that will allow them some dignity requires special attention to be paid to minimum wage levels, that is, the wages of the lowest paid employees in a company. Thus the Code asks companies to report their minimum wage in relation to established minimum living levels.

The standards used (for families of five or six) 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 by the two universities from statistical studies, periodically updated, on living and wage levels at various locations. For example, as specified by UNISA in its 1985 study, "The Minimum Living Level (MLL) 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 under the now generally accepted practice foreign companies are encouraged to 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. Minimum pay conforming to the SLL varies, depending on location, from 23.8% to 28.3% higher than a wage rate based on the MLL.

For most units the proportion of employees at the company's minimum wage level is small. On the basis of the standards outlined above twelve of the twenty-one reporting units covered in Table I implement minimum wage rates above the SLL. With respect to the four reporting units paying a minimum wage at or below the MLL, one of the three companies concerned has pointed out that the employees of its subsidiary are largely single people or persons who contribute a second income to their own households. Another company has explained that the families of the few wage earners in the minimum wage category of its reporting units are smaller than the stipulated family size. Both companies suggest therefore that their minimum pay rates should refer to single person or smaller family MLL standards and that on such adjusted standards their wages would be above the relevant MLL. In the case of the fourth reporting unit the company has explained its wage policy in 1985 as a temporary measure to meet the serious recession in the agricultural equipment sector. Since January, 1986 the minimum wage at the subsidiary has been set at 40% above the MLL.