Code of Conduct Concerning the Practices of Canadian Companies Operating in South Africa

Code d'éthique touchant les conditions d'emploi des sociétés canadiennes opérant en Afrique du Sud

Table VI

REPORTED WAGES OF LOWEST PAID EMPLOYEES RELATED TO MINIMUM LIVING LEVEL (MLL)

<u>% By Which Wage Exceeds MLL</u>	Number of Companies		
<u></u>	Last Report	1991	
0 - less	•		
1 - 9	•	• ·	
10 - 19	3	-	
20 - 29	-	1	
30 - 39		1	
40 - 49	- 1	1	
50 and over	<u>4</u>	<u>5</u>	, · · ·
•	8	8	

Four affiliates (and the Canadian Embassy) were the only ones meeting or exceeding the higher target of 50% or more of MLL, and all but two affiliates which chose to report met the minimum rate set by the Canadian Code of Conduct. For the most part, there has been a steady improvement at the lowest level and all companies except one reported salary increases for their lowest-paid non-White employees to be in excess of the inflation rate -- at least for 1991.

With respect to the average wage of all non-White personnel, the picture is better, with all but one reporting company exceeding SLL and the suggested level of at least 50% above MLL. For the affiliates in the computer and services sector, the average wage for non-Whites exceeded the MLL by amounts in the range of 218% - 303%. There has been little reported progress in promoting non-White personnel, although all companies support and implement the principle of equal pay for equal work.

In most cases, an effort was made to close the gap between White and non-White wages by giving somewhat larger annual increase to non-White, in particular Black, employees. Table VII (next page) illustrates this point.

Where trade unions exist, wages are generally negotiated annually. Non-unionized affiliates provide annual or semi-annual pay amendments. These customarily reflect the cost of living and, where relevant, increases in productivity. Qualifications rather than race are increasingly used as a basis for staffing of and remuneration for positions; in one case, positions are related to a qualitative job evaluation process (the Hay system).

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While progress has been made in improving the pay and promotion prospects of non-White personnel, it remains a fact that few of them attain other than the lower and middle levels of management or high-technology positions. For this reason, the average wages paid White workers remain substantially higher.

		Table VII		
A	AVERAGE REPORTED PERCENTAGE PAY INCREA			
	Black Employees	Coloured/Asian Employ		
1990	23.0%	9.5%		
<u>1991</u>	19,2%	15.9%		
	·····	<u> </u>		

5. Training and Promotion

The Code of Conduct suggests, as a preliminary objective en route to a fair and balanced racial composition of the work force, the filling of 50 per cent of all supervisory and management positions with non-White employees, within a specified period of time. While some progress has been reported toward this goal, it has been minimal to date and must be considered, in part, a legacy of the bias in the educational system which places non-Whites at a disadvantage. The Government has made significant new capital investment in Black educational facilities an objective, but there is a startling differential in educational opportunities, which will remain for some time.

6. Fringe Benefits

Companies are encouraged by the Code of Conduct to concern themselves with the living conditions of their non-White employees and their families. To this end, they are expected to provide benefits beyond those required by South African legislation, notably with respect to social protection schemes (e.g. health, accident, pensions, unemployment insurance), education for family members, housing, transportation, legal, and recreational needs.

The major companies -- given their substantial resources -- have more scope to, and do, provide more fringe benefits than the smaller ones. Nevertheless, all, both large and small, provide basic benefits.

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ASES IN 1990 AND 1991

White Employees vees 16.0% 16.5%