

V COMPANY PERFORMANCE

Given the differences in character and size of company operations, the remoteness of the field of action and the fact that Canadian companies often do not have controlling shares in their affiliates, it is not easy to acquire all the information desired to rate company performances against the requirements of the Code of Conduct. Nevertheless, an attempt has been made to do so, objectively and impartially as the Administrator's terms of reference require. This would not be possible without the cooperation of the Canadian companies involved and of their South African partners. Happily, cooperation has been forthcoming in most cases and the results have been recorded in the preceeding pages and more specifically in Table XI.

The scale adopted to rate the companies remains unchanged. Eight of the Code's nine employment practices categories: General Working Conditions, Collective Bargaining, Migrant Labour, Training and Promotion, Fringe Benefits, Race Relations, Encouragement of Black Businesses and Social Responsibility have been accorded a maximum of ten points, with the companies being rated on a scale of one to ten. The ninth category, Wages, has been allotted 20 points for rating purposes on the ground that wages are generally considered to be the most important single indicator of the employer's relationship with his employee. On the above basis, the companies have been placed in one of the categories listed in Table X.

In assessing the performance of the Canadian companies and their South African affiliates, allowance has been made for the fact that there is considerably less scope for small firms to undertake the whole range of programs necessary to comply with the requirements of the Code

TABLE X	
RATING CATEGORIES	
I - over 80 points	- Fulfills or exceeds all basic requirements. Improvement still possible.
II - 66-80 points	- Fulfills or exceeds most basic requirements. Considerable scope for improvement.
III - 50-65 points	- Fulfills or exceeds some basic requirements. Substantial improvement required.
IV - under 50 points	- Fails to meet many basic requirements. Major effort required to comply with the Code.

of Conduct. Account has been taken also of the unique business environment in South Africa and of the competitive conditions that entails. While the Canadian Government and its Embassy in South Africa cannot be considered to be companies in the normal sense, they have been rated as nearly as possible in the same manner as Canadian companies and their affiliates, with due allowance for the very different nature of their operations. With respect to Canadian personnel working at the Embassy, there are written guidelines concerning personally employed domestic staff. These accord with the Code of Conduct and their implementation is monitored by the Ambassador.

The company ratings are recorded in Table XI.

TABLE XI		
COMPANY ASSESSMENTS		
<u>Canadian Companies</u>	<u>SA Affiliates</u>	<u>Rating</u>
1. Bayer Foreign Investments Ltd.	Six affiliates - see below*	II
2. Canadian Government	Canadian Embassy, Pretoria	I
3. JKS Boyles International Inc.	JKS Boyles (Pty) Ltd.	II
4. Menora Resources Inc.	Ocean Diamond Mining Ltd.	III
5. National Business Systems Inc.	ABS Computers (Pty) Ltd.	II
6. QIT-Fer et Titane Inc.	Richards Bay Minerals	I
7. Sternson Ltd.	Sternson (SA) (Pty) Ltd.	III
8. Unican Security Systems Ltd.	ILCO Unican (SA) (Pty) Ltd.	II
9. Varsity Corporation	Fedmech Holdings Ltd.	II
* Bayer's six affiliates in 1988 were:		
Bayer South Africa (Pty) Ltd.		
Bayer-Miles (Pty) Ltd.		
Chrome Chemicals (South Africa) (Pty) Ltd. (2 plants)		
Haarman & Reimer (SA) (Pty) Ltd.		
Rubber Chemicals (Pty) Ltd.		
Vergenoeg Mining Company (Pty) Ltd.		

Most of the assessments were awarded on the basis of the completed Standard Reporting Questionnaire, supplemented by information provided by the Canadian companies and/or their affiliates through meetings, telephone contact and correspondence. The Bayer Group of companies customarily reports to the West German authorities under the European Community Code of Conduct, on the ground that the Bayer affiliates in South Africa are controlled by the parent company, Bayer A.G. of Leverkusen, West Germany, notwithstanding the fact that they are legal subsidiaries of the Toronto firm, Bayer Foreign Investments Ltd. As in 1977, Bayer provided a copy of their 1988 European report and their assessment is based on that and calls on management in both Toronto and