IV OBSERVANCE OF THE CODE

Those seeking horror stories about employment practices will not find them among the affiliates of Canadian companies involved in South Africa. All at the present time comply with the basic requirements of the Code of Conduct. Some are more advanced than others as the ratings accorded in Table XI demonstrate. All can be said to compare favourably with their local competition and all are striving, within the circumstances of their own industrial sector, to exceed the minimal norms set out by the Code. Where some have failed to do so in certain respectsthe reasons can be found in the difficult economic environment in which they are operating and not in their intentions.

1. General working Conditions

The South African affiliates of Canadian companies provide safe and otherwise acceptable physical working conditions for their employees. Both production and office environments are generally good, as are employee-management relations. While there remains a substantial gap between the status of Whites and non-Whites in most companies, this is not based upon discriminatory practices but, instead, reflects the weaknesses in the South African educational system which consigns non-Whites generally to the lower paid levels in business and industry.

2. Collective Bargaining

Trade unions, whether Black, White, Asian, Coloured or non-racial, are now an accepted part of the labour relations scene in South Africa. Canadian affiliates, without exception, place no obstacles in the way of trade union membership and all the larger enterprises are unionized. Where unions do not exist in Canadian affiliates, it is a reflection of the small number of employees involved. The principle of trade unionization has been accepted by even the smallest firms, all of which would agree to its institution if it were sought by their employees. The employees of all Canadian affiliates are thus free to organize collective bargaining units and existing trade union officials are free to carry out their union duties on company premises with reasonable time off to do so. In general, the smaller the enterprise the more likely it is to have a system which involves a worker spokesperson, an employee association or simply a direct approach to management when grievances or complaints arise. Where formal grievance proeedures are in force these are invariably outlined in writing and publicized in the workplace.

The Canadian Embassy in Pretoria is an exception with respect to unionization because it is governed by the Canadian Public Service Staff Relations Act which accords bargaining rights to Canadian public servants but does not extend those rights to locally engaged employees at Canadian missions abroad. Given this anomaly, the Embassy has instead an active, representative Staff Association which performs in an efficient manner the duties customarily associated with trade unions.

While Black trade unions have been recognized officially in recent years and their membership has continued to grow, there remain a variety of obstacles to their unfettered operation in South Africa. Mention was made in Part II of the restrictions placed in February on the political activities of some seventeen organizations, including COSATU, the largest Black trade union organization. The impending amendment to the Labour Relations Act is seen by the unions as an attack on their fundamental rights. While this is perhaps an extreme view, the amended Act will give the minister of Labour power to intervene in disputes and an open-ended authority to define unfair labour practices. It will also ban sympathy strikes and strikes on the same issue within 12 months. Worst of all from the union standpoint, it will allow management or labour to sue for loss of income, damages or other claims arising from illegal lockouts or strikes. It is a reflection of the state of distrust that exists in South African labour relations that the unions consider this measure to be designed to permit industry to sue the unions out of business. Separate legislation is being drafted to control foreign funding of labour, Church and civil rights groups seen by the Government to be fomenting revolution. This is regarded by trade unions as another means of undermining their existence because they receive substantial financial support from labour organizations abroad (including Canadian). Some educational institutions are equally nervous about their future, given their dependence on foreign funding.

3. Migrant Labour

This is no longer a major issue because only one of the remaining Canadian affiliates employs migrant or contract labour. In this case only three employees are involved and their contracts are renewed annually without difficulty and without the need to return to their homeland.

4. Wages

The Canadian Government's Code of Conduct, besides encouraging equal pay for equal work, urges companies to pay their employees wages which guarantee a standard of living that allows them to live with dignity. This requirement has particular reference to the minimum wage, i.e. the wage of the lowest paid employee in the company.

The living standards of non-Whites, against which the pay performance of the companies is guaged, are calculated by the University of South Africa (UNISA) and the University of Port Elizabeth (UPE). UNISA's standards are based on semi-annual surveys carried out in 26 urban areas throughout South Africa and take account of the household size, age structure and sex composition in the population groups and areas under study. They include data concerning single and multiple households. For the Minimum Living Level (MLL), UNISA includes in its calculations eleven items: food, clothing, fuel and light, other services, washing and cleaning materials, transport, medical and dental services, education, household equipment replacement, taxes and support of relatives. MLL, as defined by UNISA, reflects: "The minimum