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

3. Migrant labour

No migrant labour is employed by the current group of Canadian company affiliates.

While not migratory labour in a technical sense, the Canadian Embassy does have a group of three locally-engaged employees who travel regularly with the Ambassador to Cape Town for the annual Parliamentary session. They are provided with housing in both Pretoria and Cape Town. They received a special family allowance while in Cape Town and are granted a family reunification visit when the Parliamentary session is extended beyond six months.

4. Wages

The Canadian Government's Code of Conduct stipulates equal pay for equal work; all companies meet this requirement. Additionally, it urges companies to pay their employee's wages which guarantee a standard of living that allows them to live with dignity. This requirement has particular relevance to the minimum wage, that is, 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 gauged, are calculated by the University of South Africa (UNISA). UNISA's standards are based on semi-annual surveys carried out in 26 urban areas throughout South Africa and take into account the household size, age structure, and sex composition in the populations groups and areas under study. For the Minimum Living Level (MLL), UNISA includes in its calculations 11 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 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 is the lowest possible sum on which a specific size of household can live in our existing social setup."

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

The Supplemented Living Level (SLL) of UNISA makes provision for the inclusion of additional items. These include: recreation and entertainment, extra food, additional household equipment, extra transport, additional support, taxes and rent, and contributions to pension (unemployment, medical, and burial) funds. in UNISA's words: "By present standards, some of these items may be regarded as necessities and others as desirable amenities of life. The SLL is not a subsistence budget, nor is it a luxury budget. Perhaps, it can best be described as an attempt at determining a modest low-level standard of living." Depending on the area involved, the SLL is approximately 25% to 30% higher than the MLL. Given that the latter represents bare subsistence standards of living, foreign firms are encouraged to take as their guideline the SLL.

The Canadian Code suggests the SLL as an absolute minimum and urges companies to exceed it and to strive for a minimum rate of pay at least 20% higher, or 50% in excess of MLL. This has not been an easy matter for any but the major enterprises in the past. Table VI (below) indicated the degree of success and progress achieved by Canadian affiliates in meeting the Code of Conduct wage guidelines in the period from the last report to September 1993.

Table VI

REPORTED WAGES OF LOWEST PAID EMPLOYEES RELATED TO MINIMUM LIVING LEVEL (MILL)⁹

% By Which Wage Exceeds MLL	Number of Companies	
	Last Report	at September 24, 1993
0 - less		
1-9	_	<u>-</u>
10 - 19	_	
20 - 29	1	- - 1
30 - 39	î	, , ,
40 - 49	1	1
50 and over	ξ.	1
	7	•
	<u>8</u>	<u>2</u>

Neither the Embassy, nor any of the affiliates reported meeting or exceeding the higher target of 50% or more of MLL for their lowest paid employees, but all affiliates which chose to report met the minimum rate set by the Canadian Code of Conduct.

⁹only two (2) of this period's respondents supplied sufficient data on which to base comparisons.