

presenting employee concerns on a range of issues. Most recently, these concerns were dealt with by a mission from headquarters in Ottawa and the Embassy Staff Liaison Committee expressed to the Code Administrator complete satisfaction on all points raised.

The concerns of the Black trade unions, outlined in last year's report, about the Labour Relations Amendment Act and draft legislation on foreign funding, have not been realized to date. In the face of widespread criticism, the Labour Relations Amendment Act is undergoing revision and the potential restrictions on foreign funding have not been enacted. Black trade union effectiveness, however, has been limited, partly because of the Government's banning of political activity by union organizations and their leaders and partly as a result of lessons learned from the major strikes of 1987.

### 3. Migrant Labour

Because none of the present Canadian company affiliates employs migrant labour this is no longer an issue.

### 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 gauged, 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 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 set up". The UPE equivalent is known as the Household Subsistence Level (HSL) and is calculated in much the same manner as UNISA's MLL.

The Supplemented Living Level (SLL) of UNISA and Household Effective Level (HEL) of UPE make provision for the inclusion of additional items. With respect to UNISA (and UPE is much the same), 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, SLL and HEL are approximately 25% to 30% higher than MLL and HSL. Given that the latter represent bare subsistence standards of living, foreign firms are encouraged to take as their guideline the SLL or HEL.

The Canadian Code suggests the SLL/HEL 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/HSL. Table VIII indicates the degree of success achieved by Canadian affiliates in meeting the Code of Conduct wage guidelines in 1988.

TABLE VIII	
WAGE OF LOWEST PAID EMPLOYEE RELATED TO MINIMUM LIVING LEVEL	
% By Which Wage Exceeds MLL/HSL	Number of Reporting Affiliates
0 - less	-
1 - 9	1
10 - 19	1
20 - 29	2
30 - 39	-
40 - 49	-
50 and over	4
	<u>8</u>
NB: Figures not available for one company.	

As indicated above, half the Canadian affiliates in 1988 exceeded the standard set by the Canadian Code. The other half were above MLL but have some way to go before they reach the suggested level of at least 50% over MLL for the lowest paid personnel.

All of the affiliates support and implement the principle of equal pay for equal work. Some progress has been made in promoting non-White personnel but generally speaking they still occupy the lower end of the wage scale. The gap between the top and bottom of the scale remains a wide one. Happily, the average wage of all non-White employees substantially exceeds SLL and the suggested guideline of at least 50% above MLL. The wages of the highest paid non-Whites range from 175% to over 680% above MLL. The average wages for non-Whites range between 124 and 371% above MLL.