

ANNEX B

(Valid to 24/9/93)

CODE OF CONDUCT CONCERNING THE
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES

OPERATING IN SOUTH AFRICA

This Code of Conduct is addressed to all Canadian companies that have subsidiaries, affiliates or representative establishments in South Africa. Its aim, as one of a number of Canadian Government measures, is to make a contribution towards abolishing apartheid.

There are now numerous Codes of Conduct for businesses operating in South Africa. They have been promulgated by domestic South African organizations, by individual South African and foreign companies, by a number of countries (the European Community) and by individual countries on government initiative (Canada and recently Australia and the United States) or on a non-governmental basis (the Sullivan System in the U.S.A.). The text of the Canadian Code of Conduct which was first issued in April 1978, has been substantially revised in the light of developments in South Africa and of the need to improve the Code's administration and provide more adequate guidance to Canadian Companies. The revised text has, in particular, taken into account the experience of the European Community countries and of the Sullivan System with their Codes and the importance of demonstrating the solidarity of international opposition to the apartheid system.

With the aim of combating racial discrimination in mind, the Canadian Government strongly hopes that every Canadian company active in South Africa will implement employment practices which are based on the principle of equal treatment for all its employees, are consistent with the general economic welfare of all people in South Africa and will help bring about the conditions necessary for acceptance of the well-established standards of human rights approved by the International Labour Organization and by the International Organization of Employers. While these objectives are applicable to all employees they have particular relevance to the employment conditions of black workers and to the urgency that should be attached to the improvement of their working conditions and quality of life generally.

Accordingly, it is the view of the Canadian Government that employment practices and policies related to the improvement of quality of life for black employees and their families should be guided by the following conditions, principles and objectives.

I. General Working Condition

In general, companies should regard the constant improvement of the overall work situation of black employees as an objective having a high priority. They should ensure that employment practices applicable to any group of workers are equally applicable to all workers.

2. Collective Bargaining

- (a) Companies should ensure that their employees are free to organize collective bargaining units of their own choosing that can effectively represent them, and should undertake to engage in collective bargaining with such units in accordance with internationally accepted principles.
- (b) Companies, recognizing that the South African Labour Relations Act and Labour Law are now free of provisions that discriminate on the basis of race, should pay particular attention to black trade unions and ensure that black employees are free to form or join the trade union of their choice. They should be prepared to sign recognition's agreements with representative black trade unions within the company and allow collective bargaining, including the signing of collective agreements. Employers should regularly and unequivocally inform their employees that consultations and collective bargaining with organizations that are freely elected and representative of employees are part of company policy.
- (c) Companies should as a matter of course allow trade union officials to explain to employees the aims of trade unions and the advantages of membership, to disseminate trade union information material and display trade union notices on the company's premises, to have reasonable time off to carry out their union duties without loss of pay and to organize meetings.
- (d) In companies where works or liaison committees already operate, trade union officials should have representative status on these bodies if employees so wish. The existence of these types of committees should not prejudice the development of status of trade unions or of their representatives.