

In assessing the performance of the Canadian companies and their 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. Account has been taken also of the unique business environment in South Africa and of the competitive conditions faced by enterprises in that environment. While the Canadian Government and its Embassy in South Africa cannot be considered business 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 Embassy staff members, the Embassy has written guidelines concerning personally employed domestic staff. These accord with the Code of Conduct and their implementation is monitored by the Ambassador.

The ratings awarded may be found in Table XI.

TABLE XI

COMPANY ASSESSMENTS

Canadian Companies	SA Affiliates	Rating
1. Bauer & Crosby Inc.	1. Bauer & Crosby (Pty) Ltd.	III
2. Canadian Government	2. Canadian Embassy, Pretoria	I
3. Ford Motor Co. of Canada Ltd.	3. SAMCOR (Pty) Ltd.	I
4. JKS Boyles International Inc.	4. JKS Boyles (Pty) Ltd.	II
5. QIT Fer et Titane Inc.	5. Richards Bay Minerals	I
6. Varsity Corporation (Massey-Ferguson)	6. Fedmech Holdings Ltd.	II
7. Bayer Foreign Investments Ltd.	7. Six Affiliates - see below	II
8. Menora Resources Inc.	8. Ocean Diamond Mining Ltd.	III
9. National Business Systems Inc.	9. ABS Computers (Pty) Ltd.	II
10. Sternson Limited	10. Sternson (SA) (Pty) Ltd.	III
11. Unican Security Systems Ltd.	11. ILCO Unican (SA) (Pty) Ltd	-

Notes

Numbers 1 to 6 above are based on reports to the Code Administrator.
Number 7 is based on Bayer's report under the European Code.
Numbers 8,9,10 are based on information made available to the Administrator by the Canadian companies and/or their affiliates.
Number 11 did not report.
Bayer Foreign Investments Ltd. has six South African affiliates:
(1) Bayer South Africa (Pty) Ltd. - 74% equity
(2) Bayer-Miles (Pty) Ltd. - 100% equity
(3) Chrome Chemicals (South Africa) (Pty) Ltd. - 100% equity
(4) Haarman & Reimer (SA) (Pty) Ltd. - 50% equity
(5) Rubber Chemicals (Pty) Ltd. - 100% equity
(6) Vergenoeg Mining Company (Pty) Ltd. - 100% equity

Most of the ratings have been reached 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. In the case of Bayer Foreign Investments Ltd., the rating is based on Bayer's report to the West German authorities under the European Code of Conduct because the six Bayer affiliates in South Africa are controlled by the West German parent company, Bayer A.G. of Leverkusen. For presentational purposes, the marks of the six affiliates have been averaged, as both individually and collectively they rated Grade II. Three of the companies have been rated on information they or their affiliates provided - not by means of the Standard Reporting Questionnaire. Only Unican Security Systems failed to report or provide detailed information.

It should be noted that Varsity Corporation since last year's report has divested its miniscule share (0.001%) in Atlantis Diesel Engines (ADE) near Capetown. This explains why Varsity this year is rated only for its affiliate Fedmech Holdings Ltd. Fedmech, however, has two plants, one at Vereeniging and one at Potgietersrus. The rating is a collective one although there are some differences between the two. Individually and together they rate Grade II. They have had to contend with prevailing drought conditions and six years of operating losses. Nevertheless, both plants now are at or above MLL. Although they have not reached the 50% above MLL sought by the Code they are making efforts in that direction.

Worthy of note is the fact that the Canadian Government/Canadian Embassy has moved up in the scale to Grade I from II last year. Improvements were made in the areas of wages, housing and collective bargaining which were formerly less than exemplary. The single employee below the MLL plus 50% standard is now above it. Staff housing at the official residences in Pretoria and Capetown has been upgraded. The Embassy Staff Association has been resuscitated and now engages in an active dialogue with Embassy management thereby, in effect, performing as a trade union. This has already resulted in action on transportation, health care and housing. The other notable improvement has been the elevation of Sternson Limited from Grade IV (failure) to Grade III by virtue of improvements in the categories of wages, plant working conditions and support for Black business. JKS Boyles moved from Grade III to Grade II as a result of modest upgrading in the areas of training and promotion and social justice.