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1988/89

DOCS

COMPANY REPORTS  
FOR THE  
CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

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I N D E X

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Unican Security Systems Ltd	6

Dept. of External Affairs  
Min. des Affaires extérieures

24 1986

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THE DEPARTMENT OF EXTERNAL AFFAIRS  
1988/89 REPORT UNDER  
CODE OF CONDUCT CONCERNING  
EMPLOYMENT PRACTICES OF CANADIAN  
COMPANIES OPERATING IN SOUTH AFRICA

N.B. The Canadian Government does not discriminate on the basis of race, religion, colour or creed. The distinctions made in this report are those made by the South African Government.

The Canadian Embassy is an unusual employer in South Africa in many respects because it implements world-wide guidelines developed in Canada applicable to a range of areas associated with personnel relations. While respecting local law as appropriate, the Embassy applies Canadian employment norms to its locally-engaged staff. Locally-Engaged employees are subject to the Locally-Engaged Staff's Terms and Conditions Regulations, the Locally-Engaged Staff Employment Regulations and Regulations relating to pensions for locally-engaged employees of the Canadian Government.

CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date May 10, 1989
- 1.2 Twelve Month Period: from 01/04/88 to 31/03/89
- 1.3 Name of Canadian Company Department of External Affairs  
Government of Canada  
Address Ottawa, Ontario K1A 0G2
- 1.4 Canadian Contact (who can answer questions or provide  
clarifications concerning this report).  
  
Name John Schioler  
  
Title Chairman, Southern Africa Task Force  
  
Address Department of External Affairs  
125 Sussex Drive, Ottawa  
  
Tel. No. (613) 990-6572
- 1.5 South African Subsidiary, Associate Branch, etc.  
  
(Separate report should be submitted for all affiliates).  
  
Name Canadian Embassy  
  
Address P.O. Box 26006, Arcadia, Pretoria 0007  
  
Location  
  
Type \*  
  
Percentage Equity Held  
  
Years in Operation
- 1.6 Work Force
- |                                |    |
|--------------------------------|----|
| (a) Total number of employees: | 36 |
| (b) Number of white employees: | 23 |

(c) Number of black employees: 9

(d) Number of black employees on annual contracts: 0  
of which, number of black employees separated from their families and accommodated in hostels: 0

(e) Number of other non-white employees: 4

1.7 If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

There were no changes in the racial composition of the staff during the reporting period.

\* Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in);

Diplomatic relations with the Government and people of South Africa

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

Guidelines for handling all grievances, including racial complaints of employees, have been established. These provide for a two-step grievance procedure, involving an initial complaint to the employee's supervisor, and if necessary referral to the Head of Mission.

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

Yes. They have all been provided with copies of the Employee Handbook and these grievance provisions have been discussed with them. The grievance procedure applies to all employees regardless of race.

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

A liaison committee representing all employees exists, and is extremely active in presenting its concerns on a range of issues to management. There has been no interest expressed on the part of the non-white locally-engaged staff to set up a liaison committee restricted to them. We assume that there is no interest in this concept because the attitudes to racial questions within the Canadian Embassy are closer to Canadian than South African norms, i.e. racially colour-blind. The non-white locally-engaged staff have commented many times how much they appreciate working in an environment where race is not a factor.

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3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

The labour practices of the Canadian Embassy are in full conformity with Canadian law. The Public Service Staff Relations Act specific- excludes locally-engaged personnel abroad from the collective bargaining framework created by that legislation. In accordance with international diplomatic practice, Canadian embassies are not subject to local labour laws. However, staff associations have been formed at many missions, including in South Africa, to consult with management on various issues  
(b) Trade union(s) representing black employees. Please describe.

All locally-engaged staff may be respresented by the staff associati-

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

Locally-engaged staff are represented by the staff association which does not discriminate amongst locally-engaged staff on any basis.

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

While no employee engaged locally abroad has been given the right to belong to a trade union, they are encouraged to organize themselves into staff associations within the missions and elect representatives to interface with management on both interests and rights problems. The staff association is particularly active at this mission.

3.2 Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

All employees have been informed regularly that the mission welcomes the views of their staff association and a liaison is maintained through regular meetings between the association and management.

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

The elected representatives of the staff association are indeed permitted to undertake normal duties as employee representatives, e.g. meet individually and collectively with staff on Embassy premises, and are accorded reasonable time off to do so.

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- Permit the dissemination on company premises of information from accredited trade unions among black employees:

The Embassy welcomes the dissemination of information and questionnaires by the Staff Association on company premises.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Ensure that black trade union representatives are included in work and/or liaison committees:

Two of the four elected representatives on the staff association are black.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Ensure at regular intervals that black employees are familiar with the Code of Conduct in a language which they understand, informing them what the company is doing to implement the Code and reviewing and discussing with them or their representatives the company's annual report on the implementation of the Code:

Locally-engaged staff have been fully briefed on the contents of the Code and have been given copies of the Code itself as well as this annual report.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. MIGRANT LABOUR

If company employs migrant labour, any other form of contract labour, or employs black persons who are accommodated in hostels please state company policy with respect to such employees and what action the company is taking to alleviate the effects of existing regulations and restrictions on employees and their families. Indicate particular measures, special facilities and amenities, including efforts to facilitate:

- (a) the opportunity to lead a family life;
- (b) the regular renewal of contracts; and
- (c) any arrangements for making it easier for the families of employees to settle near their companies.

Four locally-engaged employees travel to Capetown with the Ambassador for the annual parliamentary session. Three of these employees are provided with staff housing in both Pretoria and Capetown; the fourth, who owns her home in Pretoria is provided with housing in Capetown. The staff housing in Pretoria was substantially expanded and renovated in March 1988. The parliamentary session is normally six months long; when the term of residence in Capetown is extended, as was the case in 1987, the Embassy arranges for the return of all locally-engaged employees once every six months for family reunification, medical check-ups, etc. One locally-engaged employee is accompanied by her husband (at Embassy expense) and the Embassy was instrumental in arranging for the daughter of another employee to study at the University of Capetown in order to be close to her father. All locally-engaged staff travelling to Capetown with the Ambassador receive a special family separation allowance during the period of their temporary duty in Capetown designed to cover the extraordinary expenses associated with family separation.

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5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? YES

If not please explain:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5.2 Percentage average pay increase

	<u>Black Employees</u>	<u>Non-White Employees</u>	<u>White Employees</u>
1987	The percentage increase in all locally-engaged staff		
1988	salaries across the board in 1988 was 27%. (see below)		

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

In 1986 and 1987 it was 15%. The unusually high increase in 1988 reflects both an increase in the cost of living and the one-time effects of a major salary survey undertaken in March 1989 which established new "markers" for the LES salary scale in local industry.

5.3 Minimum Pay for Black Employees

	Number of black employees earning minimum wage	Districts where lowest paid are employed	Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6	City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date	Percentage by which minimum wage exceeds this MLL or HSL
1987	2	Pretoria/Capetown	R435.72	MLL August 1987	68%
1988	2	Pretoria/Capetown (residence gardeners)	R481.34	MLL August 1988	96%

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

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5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living: July 1988. This was the annual salary revision required under the regulations for locally-engaged employees. An annual survey is undertaken of comparable salaries paid by other diplomatic missions and similar organizations in the private sector. It resulted in a 27% salary increase for all locally engaged employees.

5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

As a matter of policy, the Department of External Affairs accepts responsibility for achieving the minimum salary levels recommended in the Code of Conduct. The Mission adheres to the MLI, plus 50% minimum standard.

5.6 Highest wage or salary paid to black employees:

	Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
1987	1	receptionist	R1,521	349%
1988	1	receptionist	R1,957	4107% 407% 40%
	1	visa clerk	1,957	4107% 407% 40%

(SEE NOTE BELOW 5.7)

12 A

LES SALARY SCALE - PRETORIA/CAPE TOWN

EFFECTIVE: JULY 1, 1988

1% (MARCH 89)

	Step	1	2	3	4	5	6	7	8	9	10	Increment
DRIVER	8	43200	45 084	46 968	48 852	50 736	52 620	54 504	56 388	58 272	60 156	1884
	7	33144	34 560	35 976	37 392	38 808	40 224	41 640	43 056	44 472	45 888	1416
	6	23772	24 828	25 884	26 940	27 996	29 052	30 108	31 164	32 220	33 276	1056
	5	20940	21 828	22 716	23 604	24 492	25 380	26 268	27 156	28 044	28 932	888
	4	16680	17 436	18 192	18 948	19 704	20 460	21 216	21 972	22 728	23 484	756
	3	14868	15 480	16 092	16 704	17 316	17 928	18 540	19 152	19 764	20 376	612
DRIVER		16248	16 908	17 568	18 228	18 888	19 548	20 208	20 868	21 528	22 188	660
DRIVER/MESSENGRERS		13608	14 244	14 880	15 516	16 152	16 788	17 424	18 060	18 696	19 332	636

Senior Servant & Cook - R11 928  
Gardeners - R11 316

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5.7 Average monthly wage or salary:

		Black Employees	Other Non-White Employees	White Employees
Salaried Employees	) 1987	R1,052	R1,606	2,117.30
	) 1988	1,369	2,144	3,102
Daily/Hourly Wage employees	) 1987			
	) 1988			

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.

NOTE TO 5.6 and 5.7

The Embassy does not reserve positions on the basis of race nor are wages based on race. When positions are vacant they are open to all and staffed on the basis of merit. The figures provided in response to questions 5.6 and 5.7 are based on actual salaries paid to LES at the Embassy. These salaries flow from the attached (see page 11a) salary scale which applies to all LES at the Embassy in South Africa. There are two factors which determine an employees placement in the scale: (1) the difficulty level of the job the employee is to perform, and (2) the employee's length of service with the Embassy. Comparable systems are employed throughout the Public Service of Canada.

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6. TRAINING AND PROMOTION

Please describe company programmes for the training and advancement of black employees. Include details of company's use of outside educational facilities and university bursaries for both general and specialized technical and professional development of employees. Indicate numbers of black employees involved in programmes at each level of employment positions, actual progress achieved during the annual period concerned in promotions to all levels and total costs to companies. For similar categories of information compare such programmes with similar programmes the company has made available to other non-white employees and to white employees during the same period.

An ambitious program of training was implemented in 1988/89, notably in the use of computers and word-processing equipment, but also in consular training and first aid. Eight locally-engaged employees were enrolled in intensive training programs of whom four were non-white, others are scheduled for training in the second quarter of 1989.

7. FRINGE BENEFITS

7.1 Do black employees benefit from medical, dental, life insurance, accident insurance, disability insurance and other plans on an equal basis with other employees?

If there are differences, please explain.

Please detail the various plans or arrangements under this subsection made available to black employees, distinguishing between statutory entitlements and company-sponsored ones. With respect to company-sponsored plans and arrangements indicate the cost to black employees relative to the cost to other employees and the cost to the company to cover black employees relative to the cost to cover other employees.

The Embassy has contributory medical plan, voluntary for long-service employees and compulsory for all new employees. Contributions are calculated on the basis of salary and number of dependents. Following consultations with all staff members it was agreed to take advantage of an offer from the Tafelberg Medical Society of a substantial drop in premium costs for non-white employees. Benefits available under the plan are the same for all employees, regardless of race. All LES, regardless of race, qualify for compensation for injury received in the course of their duties through the Canadian Government Employees Compensation Act. The Head of Mission may grant "injury on duty" leave with pay to an employee if the employee is unable to work because of personal injury or industrial illness arising out of his/her employment. All LES are automatically covered by the Locally-Engaged Pension Plan (non-contributory). Minimum period of employment for receiving benefits under the plan is five years. Because the laws of South Africa provide that female employees may retire at age 60, all female employees would be entitled to full benefits under the plan if they elected to retire at 60. As there are global plans administered from Canada, we are unable to calculate the total cost or the cost by racial group of these fringe benefits.

7.2 Annual vacation: Do black employees enjoy the same vacation plan as other employees? YES. If some vacation plans are different, how many vacation days are accorded annually to black employees? \_\_\_\_\_, and how many vacations days are accorded annually to other employees? \_\_\_\_\_. The vacation benefits have just been enriched to provide for an additional week of leave after 20 years of service.

7.3 Company programmes, loans and other contributions to assist employees to purchase houses or obtain accommodation enabling them to live with their families near the workplace: A new housing plan has just been announced for all LES. (see attached page 14a)

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HOUSING ASSISTANCE

1. The Employee, on a one-time basis only, may provide the 20% down payment required to obtain a housing loan for the purchase of a principle residence which includes house and land where the purchase price does not exceed R70,000. Should the Employee dispose of the house, resign or be discharged from his employment within five years of the grant, he/she is liable for repayment on a pro rata basis. This benefit may be applied retroactively at the discretion of the Head of Mission in exceptional circumstances but not beyond a two year period.

2. The Employer may subsidize the interest payable on the downpayment on a 60/40 basis for a primary residence, which includes house and land, which has a value over R70,000, but the amount subsidized shall not be greater than R14,000.

3. The employee's monthly repayment, 40 percent plus principle, shall not exceed 25% of the employees monthly salary. Where such repayments after the loan has been established exceed 25% of the employees monthly salary, the employer will pay the difference.

4. The Employer may, on a one time only basis, provide 20% of a home improvement loan (which should not exceed R20,000) for the Employee's primary residence. In no circumstances can the maximum of the grant exceed R4,000. Should the Employee dispose of the home, resign or be discharged from his employment within five years of the grant he/she is liable for repayment on a pro rata basis. This benefit may be applied retroactively in exceptional circumstances at the discretion of the Head of Mission but not beyond a two year period.

5. The Employer, at the discretion of the Head of Mission may, on a one-time only basis, grant up to R1,000 for the express purpose of providing such basic services as electricity or water improvement, etc.

This housing assistance benefit is to be reviewed in its entirety before April 1, 1991, and unless renewed or modified by that time, it shall lapse on that date.

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EDUCATION ASSISTANCE FOR DEPENDENTS

The Employer, at the discretion of the Head of Mission, may reimburse Employees up to a maximum of R2,342 for costs arising from dependents attending school.

For the purpose of this benefit school is defined as including kindergarden to undergraduate study at university, and it also includes technical or other vocational training; dependent is defined as a child under age 23 or a spouse who is pursuing education through college or university at undergraduate level in fields that will enhance family economic well being.

The following expenses are eligible for reimbursement and must be supported by school documents and/or invoices:

- (a) basic tuition for required courses;
- (b) costs for books required by the school which are not provided by the education system;
- (c) fees such as laboratory, library, registration, and examination which are required by the institution;
- (d) costs of daily transportation to and from school, fully itemized;
- (e) costs for periodic public transportation to and from boarding school, fully itemized.
- (f) costs for required uniforms which may include for:

GIRLS: two summer school dresses, or two blouses and two skirts  
 two gym tunics or two dungarees  
 two winter tunics and two blouses  
 one blazer  
 one tracksuit  
 one school jersey

BOYS: two summer safari suites or two pairs of shorts and two shirts  
 two pair of winter long trousers  
 one blazer  
 one tie  
 one tracksuit  
 one school jersey

The following costs are not eligible for reimbursement:

- a) child care costs, nursery schools, etc.
- b) extramural activities such as tennis, swimming lessons, etc.
- c) elective enhancement programs such as ballet, music, etc.
- d) classroom supplies such as pencils, paper, etc.

Should money be returned to the Employees by the educational institution at any time during the year, it must be returned immediately to the administration of the Mission.



Number of black employees benefitting	Annual cost to company	Number of other employees benefitting	Annual cost to company
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1987

1988

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

A transportation assistance programme was made available to all locally-engaged staff as of March 1988. It pays the excess transportation expenses for Embassy employees living in remote areas over and above the cost of a monthly bus pass from Pretoria's white suburbs.

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

An educational assistance programme was inaugurated in November 1988 (see attached page 14b).

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7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

A major programme activity at the Embassy is development assistance, both in South Africa and in the neighbouring states of Swaziland and Lesotho. 2.7 of the 14 Canada-based person years are dedicated to development assistance. Within South Africa, the Embassy administers two major programs: the Canada Fund for Local Initiatives, with a budget in 1988/89 of \$500,000; and the Canadian Education Fund, with a budget of \$1,600,000. In 1988, we also initiated the Dialogue Fund, a program in support of inter-racial communication in South Africa, with a budget of \$640,000 in 1988/89, and the Programme to Combat Censorship and Propaganda, funded at \$1,000,000 over two years. We have supported projects in all the sectors listed above. The Embassy funds projects throughout South Africa, but we recognize a particular responsibility to our home communities of Pretoria and Cape Town. Among the projects we have funded in the past year were:

a) PRETORIA

- equipment for a church drop-in centre, downtown Pretoria;
- furnishings for an advice office in Mamelodi;
- office equipment for the Pretoria branch of the Domestic Workers Union;
- typewriters for business studies at St. Mary's adult education programme;
- furnishings and equipment for a creche in Mamelodi;
- construction of a pre-school in the Winterveld;
- core support for Koinonia, a church-based dialogue programme in the Pretoria region;
- books and other assistance for the African Literature programme at the University of Pretoria;
- core funding for Ikageng adult literacy program
- support for an inter-racial youth encounter program at St. Alban's school, Pretoria.

TOTAL COST: \$180,000

b) Cape Town

- financial support for the first Cape Women's Festival;
- furnishings for a teachers resource centre in Cape Town;
- fit-up and equipment for an old age home in Khayelitsha;
- medical equipment for a clinic in Crossroads;
- computer equipment for the Bellville Community Health program;
- furnishings and equipment for a creche in Bongoletu;
- office equipment for a welfare centre in Khayelitscha;
- vehicle for the Catholic Welfare Bureau in Cape Town;
- tools for a cooperative for unemployed workers in New Crossroads;
- sewing machines and equipment for a women's cooperative in Langa;
- construction of a new building at Nonkqubela Day Care Centre, Guguletu;
- financial support for the Academic Support Program at the University of Cape Town;
- core support for the transformative teaching program at the University of Western Cape;
- bursaries for educational programs managed by CASE, ILRIG and CRIC in Cape Town;
- theatre equipment for the Western Cape Community Theatre project;
- core support for Institute for Democratic Alternatives in South Africa in support of their dialogue programmes;
- support for the centre for Intergroup Studies, University of Cape Town, to set up a National Mediation Service.

TOTAL COST: \$203,000

GRAND TOTAL \$383,000

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8. RACE RELATIONS

8.1 Facilities integrated:

Food services	n/a	
Dining areas	n/a	
Washrooms	n/a	
Work areas	n/a	
Locker rooms	n/a	
Medical facilities	n/a	
Recreation areas	n/a	
Sports areas	n/a	

8.2 Reasons for segregated facilities where these still exist:

n/a

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8.3 Removal of racial segregation signs:

	Yes	No
All signs removed	_____	_____

If not, please explain.

The Embassy has never installed a racially segregated sign on its premises and therefore has never had to remove any.

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9. ENCOURAGEMENT OF BLACK BUSINESSES

Describe what the company is doing to encourage the setting up and expansion of black businesses, e.g., by contributing expertise, counselling and advice, by sub-contracting and by preferential, priority treatment in customer-supplier relations:

The Embassy has supported black entrepreneurship programs through the Canada Fund, and vocational training is a priority of the Education Fund. It is an active participant in the Canadian Export Association's initiative in support of black entrepreneurship in South Africa.

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10. SOCIAL JUSTICE

Describe any efforts or activities by the company on its own initiative or in co-operation with other companies and organizations in South Africa to deal more directly with the laws and customs which impede social and political justice:

In addition to operating busy consular and immigration programmes, the Embassy's main objective are (1) promoting dialogue in South Africa aimed at establishing non-racial and representative government; (2) maintaining close ties with the victims of apartheid and the agencies representing their interests including labour, church, political, and social organizations; (3) administering development and education assistance projects in support of the victims of apartheid community in South Africa; and (4) assisting with the implementation of agreed sanctions and the assessment of their internal and regional impact.

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FORM 675G (5)  
PROPERTY *Plasdex*® PROCESS  
MAGNETICAL RECORDING

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CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date April 30, 1989
- 1.2 Twelve Month Period: from January 1 to December 31, 1988
- 1.3 Name of Canadian Company JKS.BOYLES INTERNATIONAL INC.  
Address 81 TYCOS DRIVE, TORONTO, ONTARIO. CANADA. M6B 1W5
- 1.4 Canadian Contact (who can answer questions or provide clarifications concerning this report).  
Name H. Erickson  
Title Vice-President, Finance  
Address 81 Tycos Drive, Toronto, Ontario. Canada M6B 1W5  
Tel. No. (416) 789-0611
- 1.5 South African Subsidiary, Associate Branch, etc.  
(Separate report should be submitted for all affiliates).  
Name JKS.BOYLES (PTY) LIMITED  
Address 21 BUBWES STREET,  
Location SEBENZA, Edenvale.  
Type \* Other  
Percentage Equity Held 70%  
Years in Operation 3-1/2
- 1.6 Work Force  
(a) Total number of employees: 9  
(b) Number of white employees: 6

NOTE: Effective December 30, 1988, we sold our interests to South African citizens.

- (c) Number of black employees: 3
- (d) Number of black employees on annual contracts: N/A  
of which, number of black employees separated from their families and accommodated in hostels: N/A
- (e) Number of other non-white employees: None

1.7 If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

NO CHANGE

\* Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in);

8. Mining

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

Financial Manager deals with complaints of all staff regardless of sex or colour

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

N/A

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

NO: The company is small all staff members are free to air grievances.

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3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

NONE

(b) Trade union(s) representing black employees. Please describe.

There are none for white or black.

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

N/A See B

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

There are none.

3.2 Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

N/A

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

N/A

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- Permit the dissemination on company premises of information from accredited trade unions among black employees:

N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- Ensure that black trade union representatives are included in work and/or liaison committees:

N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- Ensure at regular intervals that black employees are familiar with the Code of Conduct in a language which they understand, informing them what the company is doing to implement the Code and reviewing and discussing with them or their representatives the company's annual report on the implementation of the Code:

Yes

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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4. MIGRANT LABOUR

If company employs migrant labour, any other form of contract labour, or employs black persons who are accommodated in hostels please state company policy with respect to such employees and what action the company is taking to alleviate the effects of existing regulations and restrictions on employees and their families. Indicate particular measures, special facilities and amenities, including efforts to facilitate:

- (a) the opportunity to lead a family life;
- (b) the regular renewal of contracts; and
- (c) any arrangements for making it easier for the families of employees to settle near their companies.

No Migrant labour

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5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? YES

If not please explain:

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.2 Percentage average pay increase

	<u>Black Employees</u>	<u>What is the Difference</u>	<u>Non-White Employees</u>	<u>White Employees</u>
1987	18%		-	10%
1988	16%		-	12%

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

No Difference

N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.3 Minimum Pay for Black Employees

	<u>Number of black employees earning minimum wage</u>	<u>Districts where lowest paid are employed</u>	<u>Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6</u>	<u>City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date</u>	<u>Percentage by which minimum wage exceeds this MLL or HSL</u>
1987	N/A	N/A	N/A		
1988	N/A	N/A	N/A	Kempton Park	<i>This figure cannot be compared if figures on page 11 are 1.</i>

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

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5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living:

Every 6 months for all staff regardless of colour cost of living and merit.

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5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

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5.6 Highest wage or salary paid to black employees:

Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
1	Driver	R900-00	144.23%

1985

1986

5.7 Average monthly wage or salary:

	Black Employees	Other Non-White Employees	White Employees
Salaried Employees ) 1987	-	-	1,860 p.m.
Employees ) 1988	-	-	2,010 p.m.
Daily/Hourly Wage employees ) 1987	560. per month	-	
Wage employees ) 1988	639. per month	-	

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.

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7. FRINGE BENEFITS

7.1 Do black employees benefit from medical, dental, life insurance, accident insurance, disability insurance and other plans on an equal basis with other employees? YES

If there are differences, please explain.

Please detail the various plans or arrangements under this subsection made available to black employees, distinguishing between statutory entitlements and company-sponsored ones. With respect to company-sponsored plans and arrangements indicate the cost to black employees relative to the cost to other employees and the cost to the company to cover black employees relative to the cost to cover other employees.

Co., Bears All costs for blacks, whites contribute.  
\_\_\_\_\_  
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7.2 Annual vacation: Do black employees enjoy the same vacation plan as other employees? YES. If some vacation plans are different, how many vacation days are accorded annually to black employees? N/A, and how many vacation days are accorded annually to other employees?  
\_\_\_\_\_

7.3 company programmes, loans and other contributions to assist employees to purchase houses or obtain accommodation enabling them to live with their families near the workplace:

N/A



Number of black employees benefitting	Annual cost to company	Number of other employees benefitting	Annual cost to company
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1985

N/A

1986

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

No all within radius of 5km

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

See 10

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CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date 31 March 1989
- 1.2 Twelve Month Period: from 1 January to 31 December 1988
- 1.3 Name of Canadian Company NBS  
Address 3220 Orlando Drive, Mississauga, Ontario
- 1.4 Canadian Contact (who can answer questions or provide clarifications concerning this report).  
Name Not known  
Title  
Address  
Tel. No. (416) 671-3334
- 1.5 South African Subsidiary, Associate Branch, etc.  
(Separate report should be submitted for all affiliates).  
Name ABS Computers (Pty) Limited  
Address P O Box 61609 MARSHALLTOWN 2107  
Location Sandton  
Type \* 2  
Percentage Equity Held 16%  
Years in Operation 19 years
- 1.6 Work Force  
(a) Total number of employees: 170  
(b) Number of white employees: 116

- (c) Number of black employees: 28
- (d) Number of black employees on annual contracts: \_\_\_\_\_  
of which, number of black employees separated from their families and accommodated in hostels: \_\_\_\_\_
- (e) Number of other non-white employees: 20

1.7

If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

The number of all staff has increased over the last year due to growth of business.

\*

Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in);

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

No. Staff complement is so small, any problems are handled individually.

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

No. An informal procedure exists where Division Managers are responsible for counselling their staff.

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

No. Not requested by staff.

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3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

*None known*

(b) Trade union(s) representing black employees. Please describe.

*None known*

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

*None known*

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

*None*

3.2 Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

*None*

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

*None ever requested*

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- Permit the dissemination on company premises of information from accredited trade unions among black employees:

*Not applicable*

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- Ensure that black trade union representatives are included in work and/or liaison committees:

*Not applicable*

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- Ensure at regular intervals that black employees are familiar with the Code of Conduct in a language which they understand, informing them what the company is doing to implement the Code and reviewing and discussing with them or their representatives the company's annual report on the implementation of the Code:

*No*

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4. MIGRANT LABOUR

If company employs migrant labour, any other form of contract labour, or employs black persons who are accommodated in hostels please state company policy with respect to such employees and what action the company is taking to alleviate the effects of existing regulations and restrictions on employees and their families. Indicate particular measures, special facilities and amenities, including efforts to facilitate:

- (a) the opportunity to lead a family life;
- (b) the regular renewal of contracts; and
- (c) any arrangements for making it easier for the families of employees to settle near their companies.

*Not applicable. All labour force live locally.*

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5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? YES

If not please explain:

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.2 Percentage average pay increase

	<u>Black Employees</u>	<u>Non-White Employees</u>	<u>White Employees</u>
1987	21,1%	12,9%	17,6%
1988	9,22%	9,87%	16,43%

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

Not applicable  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.3 Minimum Pay for Black Employees

Number of black employees earning minimum wage	Districts where lowest paid are employed	Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6	City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date	Percentage by which minimum wage exceeds this MLL or HSL
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1987	1	Johannesburg	452,00	Johannesburg	24%
1988	1	"	508.72	"	20%

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

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5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living:

	March 1988	Annual Reviews	Exceeded CPI

5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

*We believe we operate at the required levels*

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5.6 Highest wage or salary paid to black employees:

	Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
1987	1	Shift Leader	R1 600	254%
1988	1	Programmer	R1 950	

5.7 Average monthly wage or salary:

		Black Employees	Other Non-White Employees	White Employees
Salaried Employees	) 1987	880	2216	2655
	) 1988	830,33	1768,79	2820,20
Daily/Hourly Wage employees)	) 1987	-	-	-
	) 1988	-	-	-

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.

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6. TRAINING AND PROMOTION

Please describe company programmes for the training and advancement of black employees. Include details of company's use of outside educational facilities and university bursaries for both general and specialized technical and professional development of employees. Indicate numbers of black employees involved in programmes at each level of employment positions, actual progress achieved during the annual period concerned in promotions to all levels and total costs to companies. For similar categories of information compare such programmes with similar programmes the company has made available to other non-white employees and to white employees during the same period.

The bulk of training is "on the job training" which is conducted on an as required basis.

External training has been conducted in the past on an "as and when required" basis.

One black employee has been on three courses during the past 12 months:

COBOL 4 months full time

NATURAL/ADABAS 1 week full time

HPL 3 days full time

All employees are subject to the same conditions appropo training. Individual needs are assessed and employees sent for training which is job related.

This year all employees have attended a one day "Performance Improvement Program" course to assist with development of skills.

7. FRINGE BENEFITS

7.1 Do black employees benefit from medical, dental, life insurance, accident insurance, disability insurance and other plans on an equal basis with other employees? Yes

If there are differences, please explain.

N/A

Please detail the various plans or arrangements under this subsection made available to black employees, distinguishing between statutory entitlements and company-sponsored ones. With respect to company-sponsored plans and arrangements indicate the cost to black employees relative to the cost to other employees and the cost to the company to cover black employees relative to the cost to cover other employees.

	<u>Black</u>	<u>Other</u>	<u>Company</u>
	<u>Employees</u>	<u>Employees</u>	<u>Contribution</u>
<u>Medical &amp; Dental (M+2)</u>	<u>R135</u>	<u>R278</u>	<u>equal</u>
<u>Life insurance, disability insurance and pension</u>	<u>7.5%</u>	<u>7.5%</u>	<u>equal</u>

7.2 Annual vacation: Do black employees enjoy the same vacation plan as other employees? yes. If some vacation plans are different, how many vacation days are accorded annually to black employees? N/A, and how many vacation days are accorded annually to other employees?

N/A

7.3 company programmes, loans and other contributions to assist employees to purchase houses or obtain accommodation enabling them to live with their families near the workplace:

Nil

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Number of black employees benefitting	Annual cost to company	Number of other employees benefitting	Annual cost to company
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1987	<i>Nil</i>	<i>Nil</i>	
1988	<i>Nil</i>	<i>Nil</i>	

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

*Company transport provided daily from railway station to premises in Sandton (20 kms)*

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

*Nil*

7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

*Nil*

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CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date
- 1.2 Twelve Month Period: from 01/01/88 to 12/31/88
- 1.3 Name of Canadian Company : QIT-Fer et Titane Inc.  
Address 770 Sherbrooke Street West, Suite 1800  
Montreal, Quebec H3A IGI
- 1.4 Canadian Contact (who can answer questions or provide clarifications concerning this report).  
Name Raymond L. Soucy  
Title Vice-President, Human Resources & Public Affairs  
Address 770 Sherbrooke Street West, Suite 1800  
Montreal, Quebec H3A IGI  
Tel. No. (514) 288-8400
- 1.5 South African Subsidiary, Associate Branch, etc.  
(Separate report should be submitted for all affiliates).  
Name Richards Bay Minerals  
Address P.O. Box 401, Richards Bay, 3900, Natal, R.S.A.  
Location Richards Bay, R.S.A.  
Type \* 8 - Surface sand mining and smelting  
Percentage Equity Held 50% equity held by QIT's U.K. parent. QIT has administrative responsibility not legal ownership  
Years in Operation 13 years (started in March 1976) RBM
- 1.6 Work Force
- |                                |             |
|--------------------------------|-------------|
| (a) Total number of employees: | <u>1909</u> |
| (b) Number of white employees: | <u>546</u>  |



- (c) Number of black employees: 1355
- (d) Number of black employees on annual contracts: Nil  
of which, number of black employees separated from their families and accommodated in hostels: Nil
- (e) Number of other non-white employees: 8

1.7 If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

Workforce increased by 8,3% in 1988 (10,6% in '87) with complement increases in the exploration, MSP, Smelter, Technical and TISAND and services (Eng.) sections. Racial composition ratios did not change significantly (Black/White ratio increased by 1%).

Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in):

8: Mining and quarrying

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

The Company has a formal grievance procedure which has been ratified by Unions. The grievance procedure provides for any employee to have the right to appeal to the immediate superior and if still dissatisfied, to succeeding higher levels of authority, up to and including management level. The aggrieved employee may have the assistance of a Union official or a fellow employee. In all cases, the policy provides that Industrial Relations personnel will assist the employee. This procedure provides for any complaint be it racial or relate to any other matter.

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

Yes. All employees are briefed at induction. The industrial relations department also has an ongoing series of briefings to employees on conditions of service. Special emphasis is laid at these meetings on employee rights and the use of the grievance procedure to pursue these rights.

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

No - As all employees are represented by Unions, there has been no need for Liaison Committees.

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3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

Yes. 1) Unions: National Union of Metal workers (NUMSA)\* represents all employees in the unskilled and semi skilled areas. These employees are mostly Black. 2) The Richards Bay Employees Union (RBEU). This Union represents skilled employees and supervisors at first line level. Members are White and Black. There is no racial distinction regarding Union membership.

(b) Trade union(s) representing black employees. Please describe.

See 3.1 (a) above. No Union represents only Black employees. Union represents employees of a certain status as determined by the bargaining units agreed per the Recognition Agreements.

(NUMSA represents employees in Grades 1 - 9)  
(RBEU represents employees in Grade 10 upwards)

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

See 3.1 (a) and (b) above.

\* The National Iron Steel and Metal workers Union (NISMAU) amalgamated with the National Union of Metal workers (NUMSA) during the year. Thus, the change of name from the last report does not signify a change of Union.

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

Not applicable.

3.2 Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

The Company has recognition agreements with two Unions. Black employees have been unionized since 1983 so that Union activity in attending to the rights of their members has now become custom and practice throughout the Company. New employees are fully briefed on this at induction and monthly briefs throughout the organization keep employees informed (in English and Zulu) on all negotiations and agreements. These briefs also appear on all company notice boards.

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

Yes. The labour contract stipulates: "The shop stewards shall be afforded reasonable opportunity during working hours to attend to Union matters as it relates to this agreement. Where Shift Representatives and/or Shop Stewards need to attend to problems in their constituency, other than in agreed formal meetings, they shall obtain the permission of their superior which permission shall not be unreasonably withheld." Union officials who are not employees of the Company have access to Company premises on request to Management. Such access is not unreasonably withheld.

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- Permit the dissemination on company premises of information from accredited trade unions among black employees:

Yes. Accredited Trade Unions are permitted to disseminate information on Company premises to Black employees. Unions are allowed to circulate information to their members freely. Union agreements provide that the Unions may freely use notice boards for Union literature without any constraint. Both unions have been provided with office facilities on Company premises to facilitate and improve contact with their members.

- Ensure that black trade union representatives are included in work and/or liaison committees:

As explained earlier, work and/or liaison committees do not exist anymore since employees (Black and Whites) are unionized in recognised Unions. These recognised Unions have negotiated Labour Agreements which stipulates formal and regular committees to meet with Management.

- Ensure at regular intervals that black employees are familiar with the Code of Conduct in a language which they understand, informing them what the company is doing to implement the Code and reviewing and discussing with them or their representatives the company's annual report on the implementation of the Code:

All employees are aware that the Company has adopted standards of employment practice based on the Code of Conduct and Company's basic philosophy. Implementation of the Code by the Company is reviewed with Union Shop Steward Committees annually. Attached is a copy of our Human Resources Objectives which are framed and displayed in offices and work areas throughout the Company. (These are currently in the process of being reprinted to exclude reference to the Sullivan Code and will be reissued during the year ahead in 2 languages - English and Zulu, rather than all in English as has been the case.)

# OUR HUMAN RESOURCES OBJECTIVES

We will create an environment in which all employees will be equally and fairly treated. The dignity of the individual will be recognised and respected at all times.

We will provide equal pay for all employees doing equal or comparable work.

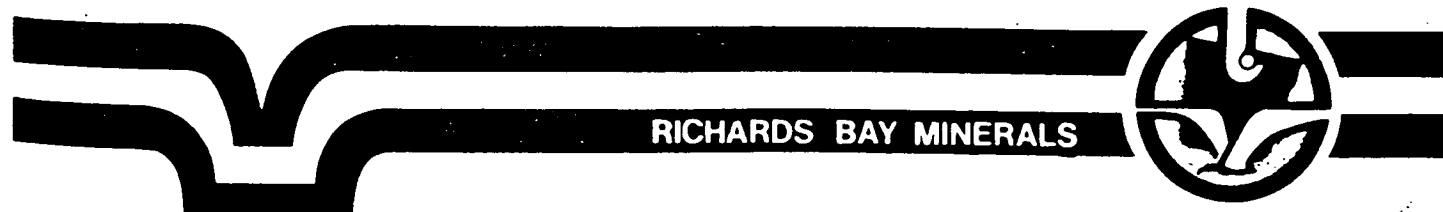
We will provide opportunities for training and developing all our employees, so that their skills can be used to maximum potential in terms of the company's requirements.

Our success depends on the quality and skills of our people, and we will create a climate to draw and retain the right people. We will therefore seek, wherever possible, to promote people from within the company which includes promotion to supervisory and managerial positions.

All eating, recreation and work facilities will be de-segregated.

We will strive to improve the quality of life of our employees outside the work environment in such fields as housing, transportation, schooling, recreation and health facilities.

The management of Richards Bay Minerals endorses the Sullivan Code of Principles and is committed to its implementation.



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5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? YES

If not please explain:

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5.2 Percentage average pay increase.

	<u>Black Employees</u>	<u>Non-White Employees</u>	<u>White Employees</u>
1987	16%	15%	15%
1988	15.3%	13%	14%

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

Salaried remuneration is based on national and regional market surveys and not on collective bargaining.

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5.3 Minimum Pay for Black Employees

	Number of black employees earning minimum wage	Districts where lowest paid are employed	Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6	City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date	Percentage by which minimum wage exceeds this MLL or HSL
1986	206	Richards Bay	R323.01	Richards bay	52.4%
1987	147	Richards Bay	R361.31	Richards Bay	57.9%
1988	141	Richards Bay	R434.14	Richards Bay	54.3%

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

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5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living:

July 1, 1988

Reason: Annual wage negotiation with the Trade Union.

Lowest paid Black employee received a negotiated increase of 17.4%

whilst the C.O.L. increased by 12.4% (year on year to June 1988).

5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

The pay level for the lowest paid employees exceeds MLL by 54.3%

(MLL has increased by 22%)

5.6 Highest wage or salary paid to black employees:

	Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
1987	6	IRO's (3) Protec Co-Ordinator Public Affairs Officer Consultant	R2 167	600%
1988	3	IRO's	R2 167	449%
	1	Public Affairs Officer	R2 874	662%
	1	Shift Supervisor	R2 746	633%
	1	Shift Supervisor	R2 719	626%
	1	Shift Supervisor	R2 958	681%
	1	Shift Supervisor	R2 800	645%

5.7 Average monthly wage or salary:

		Black Employees	Other Non-White Employees	White Employees
Salaried Employees	) 1987	R1 532	R1 680	R2 762
	) 1988	R1 795	R2 121	R3 299
Daily/Hourly Wage employees)	) 1987	R 909	R 971	R2 213
	) 1988	R1 065	R1 226	R2 644

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.

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6. TRAINING AND PROMOTION

Please describe company programmes for the training and advancement of black employees. Include details of company's use of outside educational facilities and university bursaries for both general and specialized technical and professional development of employees. Indicate numbers of black employees involved in programmes at each level of employment positions, actual progress achieved during the annual period concerned in promotions to all levels and total costs to companies. For similar categories of information compare such programmes with similar programmes the company has made available to other non-white employees and to white employees during the same period.

(a) It is the objective of the Company to promote from within wherever possible. As a result, a variety of training and development programs have been implemented to achieve this objective.

(b) The Company provides structured in-house courses for the advancement of all employees at all levels. These courses include the Basic Supervisory Course, 6M, Interaction Management, Louis Allen Managerial Training and various skills courses.

(c) Structured operational and technical training programs are in place to provide all employees with the specific skills required to perform their jobs to a competent standard.

(d) A fully equipped Technical Training Centre provides employees with approved instruction to achieve full artisan status in the trade of Boilermaking, Fitting & Turning, Electrical and Motor Mechanic.

(e) The Company operates a sponsored Educational Scheme whereby any employee is afforded the opportunity of enhancing their academic or professional qualifications through correspondence at Universities and technical institutions. During 1988, 61 Whites and 36 Blacks were sponsored. The amounts spent were R20 886 and R17 502 respectively.

(f) Total amounts spent on Training during 1988 = R1 761 215 (excluding bursaries and grants).

(g) Bursaries: 2 Whites  
Grants: 26 Whites (R41 192)  
87 Blacks (R79 162)

In addition, 86 employees were enrolled during 1988 on a continuing education programme (see Question 7.6).

6. TRAINING AND PROMOTION (suite)

Promotions as a result of Training:

	<u>Blacks:</u>	<u>Whites:</u>
Section Leader - Shift Foreman	1	
Clerk - Trainee Shift Foreman	1	
Operator - Trainee Shift Foreman	3	
Trainee Shift Foreman - Shift Foreman	2	1
Foreman Higher Grade		4
Shift Foreman - Co-ordinator	1	
Intermediate Artisan - Artisan	8	
Apprentice - Artisans		3
Shift Foreman - Co-ordinator		1
Artisan - Training Officer		1
Plant Training Officer Higher Grade	3	
	19	10

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7.3 Richards Bay Minerals is located in an area where there are a number of Black urban and rural living areas within commuting distance of the plant site.

At the Company's inception in 1977, personnel with industrial skills who were nearly all White, had to be brought into the area and 400 houses had to be constructed to accommodate them and their families. The cost of this housing was R9 million. At the same time, RBM built a total of 231 houses for Blacks in the township of Esikhawini. The cost of this housing was R1,6 million. For several years many of the houses for Blacks were empty due to lack of demand. Many employees did not wish to forego their tribal residential rights. Those rights become forfeit when a resident ceased to live permanently in a tribal area. By 1983, all these houses had been occupied by employees and due to training and internal promotion of Black employees, the number of houses for skilled and supervisory employees has become inadequate.

As a consequence, in 1985 the Board approved a further R1 million to be used for Blacks to acquire homes of their own choice.

In 1986 a further R1,3 million was approved and the building plan was planned to be implemented in 1987. However, a number of administrative problems with the Kwa Zulu Government delayed this and building was only implemented in 1988. 29 Houses have been erected at a cost of +- R100 000 each (by end of 1988 only 6 were not yet completed). These houses are of a quality equal to the homes their white counterparts are provided with.

The company has now implemented a housing bond scheme in terms of which RBM subsidises interest rates between the company's standard 4% and the market rate.

The company also makes available loans to a maximum of R15 000 each to employees who wish to purchase/build their own homes in Tribal areas where building society bonds are not available.



7.5 A Company bursary and grant scheme is in operation, enabling Black employees to further their studies at Primary and High Schools, whilst a number of bursaries are awarded annually to Black employees dependents and other selected Black students to study at Tertiary Institutions.

The Company launched a new Technical High School in Esikhawini which will cater for about 850 pupils. Permission was sought to run this School on a non-racial basis, as there is no Technical High School in the area. Although the Kwa Zulu Government has given permission for this, the local Black community is opposed to the idea as they want all the places for Blacks. Negotiations are underway for Whites to also use facilities in the evenings on a part time basis.

RBM has also sponsored the installation of a computer aided instruction centre at the University of Zululand, focussing on upgrading education in Maths, Science and English. This is used by University staff, student of local schools and students of the PROTEC Programme, which we sponsor to improve the exposure that High School pupils have in these areas.

A Legal Aid Clinic has been established at the University of Zululand with two Advocates and two Attorneys employed with a view to familiarising the local Blacks with their rights under the Labour Relations Act, with the introduction of a Street Law Programme and, although the Clinic is a - political, the staff are able and willing to council in political areas whenever necessary, eg. detainees or families of detainees.

A major project has been launched to develop an infrastructure - roads, services, water, Health facilities, factory units in the local Black Rural area. (See Question 7.6).

7.6

A community centre to which RBM had contributed 3/4 of the R1 million cost, was opened during 1988. This centre has a hall seating 1000 people, a library which will be run by the local teachers group, council chambers and mayor's office and general purpose rooms with storage areas for sewing groups and clubs who wish to keep their apparatus close at hand. The administration of the centre is entirely in the hands of the Black Town Council and the Town Council was entirely responsible for the organisation of the opening ceremonies which were presided over by the Zulu King. This ceremony was sponsored by RBM.

The Company supports or undertakes a variety of programmes in the local rural and adjoining Black areas.

Several self help rural industry projects are piloted by RBM to assist members of the community and wives of employees to develop skills that could launch them into small businesses or become more independent. (See Question 9). RBM sponsors a creche with 160 children in Esikhawini and had built 35 classrooms by the end of 1988 in an attempt to reduce classroom numbers at local Black schools. A further effort to reduce ratios was the payment of 16 additional teachers in 1988, the total cost of these additional teachers in 1988 was R66 306.

Medical Clinics have been erected at 3 local Black schools and at Esikhawini Township. RBM employs a fulltime Black male nurse to run these Clinics and work in conjunction with the Kwa Zulu Department of Health, to ensure that the correct standards are maintained and the correct procedures are followed. Kwa Zulu Department of Health has seconded three qualified nursing sisters to run clinics at schools on a full-time basis, five days a week. Their salaries are sponsored by RBM at a cost of R66 000 p.a.

RBM is the only source that is supplying water to the four local schools and surrounding areas and has now sunk 11 water wells to provide a more permanent water supply.

RBM continued assisting local White and Black Schools twinning programmes. In this regard, we taught local Black boys to play cricket and had a number of planned cricket matches against a local White team. We again sponsored a Black group attending a multi-racial English Conference in Durban. We have also continued our encouragement of contact between Black and White teachers societies in 1988 and were responsible for initiating a number of contacts between these groups.

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7. FRINGE BENEFITS

7.1 Do black employees benefit from medical, dental, life insurance, accident insurance, disability insurance and other plans on an equal basis with other employees?

If there are differences, please explain.

Please detail the various plans or arrangements under this subsection made available to black employees, distinguishing between statutory entitlements and company-sponsored ones. With respect to company-sponsored plans and arrangements indicate the cost to black employees relative to the cost to other employees and the cost to the company to cover black employees relative to the cost to cover other employees.

The benefits for all employees are identical. Medical and Dental: Medical aid membership is optional. There is no racial element to membership of the medical aid. Most of the staff employees are members of the medical aid. A minority of the Fixed rate Workers are members. Life, accident and disability insurance: The same benefit applies to all employees. The Company provides a benefit which is linked directly to salary earnings. Pension Fund: All employees belong to the same pension fund. Membership is optional for employees represented by NISMAWU (National Iron, Steel and Metal Workers Union). This arrangement was arrived at after negotiation. All other employees join the pension fund as a condition of service. The Company subscribes to the policy of negotiated fringe benefits.

7.2 Annual vacation: Do black employees enjoy the same vacation plan as other employees? YES. If some vacation plans are different, how many vacation days are accorded annually to black employees? N/A, and how many vacation days are accorded annually to other employees? N/A.

7.3 company programmes, loans and other contributions to assist employees to purchase houses or obtain accommodation enabling them to live with their families near the workplace:

Please refer to the next page.

	Number of black employees benefitting	Annual cost to company  (Cash Flow)	Number of other employees benefitting	Annual cost to company
1987	229	14 171.89	6	
1988	255	2 589 372.81	6	

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

Free transport to and from work is provided daily. Clinics have been established in areas where employees and families live providing free medical service for employees and families. Free transportation to and from school is provided for all school pupils in the rural area (Reserve No. 4) in which RBM is situated.

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

See attached page.

7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

See attached pages.

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With the advice and assistance of the local Black University (UNIZUL) Centre for Social Research and Documentation, which is also being funded by the Canadian International Development Agency (CIDA) and University of Calgary - a specially designed toilet complex for rural purposes was erected. If the durability and practicality of this proves to be good, we will erect more of these in 1989.

A Developmental plan was launched in the Black area (Reserve No. 4) with the objective of improving the quality of life of residents. It focuses on the following areas:

Agriculture

13 Community vegetable gardens and 7 individual family gardens were established by end of 1988. Plus-minus 40 inhabitants group together in one community garden.

Health Technology

The health food cooking project consisting of 45 women was launched during 1988. The services of qualified Health Advisers and Home Economics Instructor from KwaZulu Department of Health and Department of Agriculture were acquired to run the project.

The University of Zululand installed four community V.I.P. toilets, three water wells at points where Reserve No. 4 residents inhabitants meet for communal events. These toilets and wells also act as demonstration structures for residents who may wish to have them installed in private dwellings.

The clinics in Reserve No. 4 run by RBM in conjunction with KwaZulu Department of Health also render Health facilities and advice to the community of Reserve No. 4 as well as schools.

Mini Industries

A site for factory units was successfully negotiated with Inkosi (the Chief) and the necessary documentation has been signed between Inkosi and KwaZulu Finance Corporation for funding the project.

Town Planning

The Inkosi (Chief) and Councillors were shown a rural town planning already developed at Manguzi (near Mozambique border). As a result of follow-up meetings, an agreement was reached between Inkosi and the Company to help develop roads and services.

Community Involvement

The development and effective running of committees of local people concerned with Education, Health, Agriculture, water supply etc. The Education sub-committee consisting of representatives from local Parent Teacher Associations and RBM is holding regular structured meetings.

During 1988 Phase I was completed of a new Technical High School in Esikhawini Township. Ultimately, this will cater for 850 students and offer specialist schooling in Diesel and Motor Mechanics. Electrical work; Electronics; Metal Work and Technical Drawing. This is entirely funded by RBM. The first intake of pupils will be in January 1989.

A night school for employees is run, in conjunction with other local Companies, offering classes at Std. 6; Std. 8; Std.10 and N1 and N2 levels. 86 Of our employees took part during 1988.

A non formal technically orientated educational programme (PROTEC) was offered to local Black students talented in Maths and Science. A Board has been established, together with other Companies to run this, but to date it had still been largely financed by RBM. Plans to link this programme during 1988 with the PLATO, computer aided instruction programme, which RBM has donated to the University of Zululand at a cost of R250 000, have been delayed due to installation problems but this will occur during 1989.

The General Manager Public Affairs served on the Board of a new venture to launch a multi racial pre-school in the White area of Richards Bay and raised funds for this venture. He also serves on the Board of the local Hospital in which position he monitors the continued non racialism of a trauma ward, the installation of which was sponsored by RBM a few years ago.

2. RACE RELATIONS

2.1 Facilities integrated:

Food services	YES	_____
Dining areas	YES	_____
Washrooms	YES	_____
Work areas	YES	_____
Locker rooms	YES	_____
Medical facilities	YES	_____
Recreation areas	YES	_____
Sports areas	YES	_____

2.2 Reasons for segregated facilities where these still exist:

N/A  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2.3 Removal of racial segregation signs:

	Yes	No
All signs removed	X	_____

If not, please explain.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

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9. ENCOURAGEMENT OF BLACK BUSINESSES

Describe what the company is doing to encourage the setting up and expansion of black businesses, e.g., by contributing expertise, counselling and advice, by sub-contracting and by preferential, priority treatment in customer-supplier relations:

See attached page.

10. SOCIAL JUSTICE

Describe any efforts or activities by the company on its own initiative or in co-operation with other companies and organizations in South Africa to deal more directly with the laws and customs which impede social and political justice:

The Company is a major sponsor of the Kwa Natal Indaba Support Group aimed at informing the public at large about these political initiatives that aim to find a just and equitable peaceful solution to the current political dispensation. We remained active members of AMCHAM, The Natal Chamber of Industries, and the S.O.P.S.A. (Statement of Principles Organisation of S.A. - formerly Signatory Association) and its Regional Task Group. The Company is on record and has publicly announced its opposition to the Group Areas Act. Following the closure of public facilities to people of colour in the Town of Boksburg, RBM sponsored a boycott initiated by local Blacks and distributed car stickers to local Black residents reading "I only shop where I am wanted".

RBM launched an initiative with the S.O.P.S.A. Task Group, in conjunction with a local S.A. Company to promote the admission of Black students at White teacher training colleges. We are hopeful that these efforts of 1988 will bring about government concessions during 1989 which would be a significant move towards elimination of racial restrictions in this area. The Company publicly stated that it will support Inkosi and Councillors of Reserve No. 4 in whatever decision they take against forced removal of residents from the southern tip of the Reserve as proposed by the Richards Bay Town Council. Instead they would welcome Whites to live in Reserve No. 4.

9. ENCOURAGEMENT OF BLACK BUSINESSES

The Small Business Advice Centre which is totally funded by Richards Bay Minerals attended to 188 enquiries from Black Businessmen during the year. From this 107 jobs were created and financed to the value of R253 164 to assist those Businessmen in their establishments and expansion. The SBAC in cooperation with CABBSA (Canadian Association for Black Business in South Africa) sponsored a Small Business Exhibition aimed at promoting Small Black Business in particular. This exhibition was opened by the Canadian Ambassador.

One seminar attended by 186 delegates and 3 training courses were arranged by the SBAC on various subjects concerning Small Business expertise. All three training courses were presented in the Zulu language.

Special consultants were appointed to solve technical problems encountered by two black manufacturers and turnovers have increased considerably as a result of this specialist advice.

The director has played a very active role in his membership of the Sunnyside Group and the Natal Deregulation Forum as both these bodies are lobby groups aimed at central government and provincial government legislations to deregulate restrictive rules that discriminate against small business in general and Black business in particular.

The SBAC sponsored 100,000 bumper stickers "I buy only where I'm wanted" in order to support the Black townships bordering Boksburg in the boycott of the Conservative Party stronghold.

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HANDYMEN TESTED SUCCESSFULLY IN 1988 AND PROMOTED FROM GRADE 2 TO GRADE 6  
AFTER TESTING FOR EXPERIENCE GAINED ON JOBS

1.	A. Myeni	8632	(Prod. Proc.)	Fitter
2.	B. Ntombola	8655	(Machineshop)	Fitter
3.	S. Gina	9684	(Machineshop)	Fitter
4.	M.G. Dube	9545	(Prod. Proc.)	Welder
5.	T.P. Zulu	8834	(Mine)	Welder
6.	D.A. Mngomezulu	9115	(M/Equipment)	Welder
7.	G. Ntuli	8812	(Mine)	Welder
8.	E. Khumalo	8799	(Elec. Refrig.)	Refridgeration
9.	M.S. Nzuza	8414	(P.C. & S.)	P.C. & S.
10.	E.M. Sithole	9814	(P.C. & S.)	P.C. & S.
11.	J.R. Nyawo	8700	(P.C. & S.)	P.C. & S.
12.	E. Ngwenya	9859	(Prod. Proc.)	Electrical
13.	M. Magubane	8819	(M/Equipment)	Mobile Equipment
14.	J. Mbuyazi	8840	(M/Equipment)	Mobile Equipment
15.	V. Mthethwa	8880	(M/Equipment)	Mobile Equipment
16.	S. Mbuyazi	9551	(M/Equipment)	Mobile Equipment
17.	T.M. Manqele	9683	(M/Equipment)	Mobile Equipment
18.	M.E. Shezi	9738	(M/Equipment)	Mobile Equipment
19.	M. Mthethwa	9581	(M/Equipment)	Mobile Equipment
20.	J.S. Mbuyazi	9357	(M/Equipment)	Mobile Equipment
21.	A.S. Mbuyazi	8367	(M/Equipment)	Mobile Equipment
22.	T. Thobela	8002	(Services/Pool)	Rigger
23.	J.M. Mdamba	8488	(Services/Pool)	Welder
24.	P.N. Ngonyama	9976	(Environmental)	Welder
25.	J. Mthiyane	8022	(Prod. Proc.)	Fitter

Form 875 C (S)  
PROCEDE **Plasbox** PROCESS  
MONTREAL - TORONTO

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CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date February 10, 1989
- 1.2 Twelve Month Period: from January 1988 to December 1988
- 1.3 Name of Canadian Company Sternson Limited  
Address 22 Mohawk Street, Brantford, Ontario
- 1.4 Canadian Contact (who can answer questions or provide clarifications concerning this report).  
  
Name Barry J. Mees  
  
Title President  
  
Address 22 Mohawk Street, Brantford, Ontario  
  
Tel. No. 9519) 759-6600
- 1.5 South African ~~Subsidiary~~, Associate ~~Branch~~  
  
(Separate report should be submitted for all affiliates).  
  
Name Sternson (S.A.) (Pty) Limited  
  
Address 14/13 Sunview Centre, 7 North Reef Road, Bedfordview  
  
Location Johannesburg  
  
Type \* Associate  
  
Percentage Equity Held 24% at report date to be reduced to 16%  
  
Years in Operation 16
- 1.6 Work Force
- |                                |    |
|--------------------------------|----|
| (a) Total number of employees: | 55 |
| (b) Number of white employees: | 13 |

- (c) Number of black employees: 42
- (d) Number of black employees on annual contracts: nil  
of which, number of black employees separated from their families and accommodated in hostels: nil
- (e) Number of other non-white employees: nil

1.7 If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

New Job Creation  
Additional positions created for plant cleaning placement services and factory work

\* Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in);

Construction Specialty Products

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

We do not experience racial complaints but in the event any grievance should occur the employees have spokespersons to communicate grievances. The company structure is such that access to the managing director is available on a non-discriminatory basis.

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

See above

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

Yes, the black staff have spokespersons and senior team leaders to represent them.

3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

None and no request has ben received to recognize a trade union.

(b) Trade union(s) representing black employees. Please describe.

None and no request has been received to recognize any black trade union.

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

As above.

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

No request to form a union has been received.

3.2

Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

The black employees are well aware of their rights

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

If requested this will be permitted.

- Permit the dissemination on company premises of information from accredited trade unions among black employees:

We have never prevented this and will not attempt to

To prevent dissemination of information

- Ensure that black trade union representatives are included in work and/or liaison committees:

There are no trade union representatives on our staff.

- Ensure at regular intervals that black employees are familiar with the Code of Conduct in a language which they understand, informing them what the company is doing to implement the Code and reviewing and discussing with them or their representatives the company's annual report on the implementation of the Code:

We are not prepared to pay for translation of the code into Tswana, Sotho, Zulu or Xhosa and do not discuss this report or implementation of the code with black employees.

4. MIGRANT LABOUR

If company employs migrant labour, any other form of contract labour, or employs black persons who are accommodated in hostels please state company policy with respect to such employees and what action the company is taking to alleviate the effects of existing regulations and restrictions on employees and their families. Indicate particular measures, special facilities and amenities, including efforts to facilitate:

- (a) the opportunity to lead a family life;
- (b) the regular renewal of contracts; and
- (c) any arrangements for making it easier for the families of employees to settle near their companies.

No migrant labour employed, we are too small to afford the cost of settlement programmes so we have instituted a policy of refusal to employ migrants.

5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? Yes.

If not please explain:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.2 Percentage average pay increase

	<u>Black Employees</u>	<u>Non-White Employees</u>	<u>White Employees</u>
1985/87	Approx. 14%		Approx. 15%
1986/88	Approx. 15%		Approx. 10%

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.3 Minimum Pay for Black Employees

	Number of black employees earning minimum wage	Districts where lowest paid are employed	Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6	City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date	Percentage by which minimum wage exceeds this MLL or HSL
1985/87	8	Germiston	R387	Germiston Feb. 87	5%
1986/88	11	Germiston	R477	Germiston Aug. 88	5%

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living:

Six monthly review February and August of each year.

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5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

We are constantly striving to meet the code in very difficult trading circumstances. We are not prepared to give a timetable since without improvement of the business environment we cannot do better than we do now.

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5.6 Highest wage or salary paid to black employees:

	Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
1987	7	Senior Section	R850	120%
1988	8	Leaders	R950	180% 195%

5.7 Average monthly wage or salary:

	Black Employees	Other Non-White Employees	White Employees
Salaried Employees ) 1987	R 1.000	/	R26.000
Employees ) 1988	R 2.000		R28.000
Daily/Hourly Wage employees ) 1987	R20.000	/	
Wage employees ) 1988	R22.000		

*Does not accord with 5.6 on page 10*

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.

6.

TRAINING AND PROMOTION

Please describe company programmes for the training and advancement of black employees. Include details of company's use of outside educational facilities and university bursaries for both general and specialized technical and professional development of employees. Indicate numbers of black employees involved in programmes at each level of employment positions, actual progress achieved during the annual period concerned in promotions to all levels and total costs to companies. For similar categories of information compare such programmes with similar programmes the company has made available to other non-white employees and to white employees during the same period.

We have continued to train a black laboratory operative. We have engaged a black typist/telephonist who is being trained to take on more senior work and we have promoted a black clerk. Factory workers are trained in house to perform manufacture as required but the nature of our business requires experienced reliable workers but not highly trained personnel as for example, in fabricating or electronics or other "High Technology" industries.

7.

FRINGE BENEFITS

7.1

Do black employees benefit from medical, dental, life insurance, accident insurance, disability insurance and other plans on an equal basis with other employees?

If there are differences, please explain.

Please detail the various plans or arrangements under this subsection made available to black employees, distinguishing between statutory entitlements and company-sponsored ones. With respect to company-sponsored plans and arrangements indicate the cost to black employees relative to the cost to other employees and the cost to the company to cover black employees relative to the cost to cover other employees.

Black employees are covered by unemployment insurance

Workmens Compensation insurance against accident or disability

occurring in the course of work related activities. No medical

dental or life insurance is afforded black workers. Free

hospitalization, dental and medical treatment is available to

black workers and ad hoc grants have been made by the company

in special cases of need.

7.2

Annual vacation: Do black employees enjoy the same vacation plan as other employees? Yes. If some vacation plans are different, how many vacation days are accorded annually to black employees? --, and how many vacation days are accorded annually to other employees? --.

7.3

company programmes, loans and other contributions to assist employees to purchase houses or obtain accommodation enabling them to live with their families near the workplace:

From time to time ad hoc assistance has been given for housing, but no formalized programme exists.

Number of black employees benefitting	Annual cost to company	Number of other employees benefitting	Annual cost to company
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1987

None

1988

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

Good public transport available. When overtime worked and no public transport available workers are transported on company vehicles.

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

Sternson does not have the resources to educate the families of black workers. Black workers in the laboratory and office were invited to join the white office staff workers at the annual year end party. Factory workers enjoyed a party of their own.

7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

At this stage we are finding difficulty in coping with maintaining job opportunities and worker remuneration. We have financed one water supply point at Mabieskraal Bophutha-Tswana.





Form B72 G (6)  
PROCÉDE **Plassdex**® PROCESS  
MONTREAL - TORONTO

CODE OF CONDUCT CONCERNING THE  
EMPLOYMENT PRACTICES OF CANADIAN COMPANIES  
OPERATING IN SOUTH AFRICA

STANDARD REPORTING FORMAT

GENERAL

- 1.1 Date
- 1.2 Twelve Month Period: from July 1 to June 30/90
- 1.3 Name of Canadian Company Unican Security Systems Ltd.  
Address 7301 Decarie Blvd., Montreal, Quebec H4P 2G7
- 1.4 Canadian Contact (who can answer questions or provide clarifications concerning this report).  
Name ARON FISH  
Title President and Chairman of the Board  
Address Same as above  
Tel. No.
- 1.5 South African Subsidiary, Associate Branch, etc.  
(Separate report should be submitted for all affiliates).  
Name Ms. Kathleen Fitzgerald  
Address Ilco Unican (SA) (Pty Ltd.)  
P.O. Box 13017  
Location Northmeade 1511  
Benoni, South Africa  
Type \*  
Percentage Equity Held 33 1/3%  
Years in Operation 8
- 1.6 Work Force
- (a) Total number of employees: 4
- (b) Number of white employees: 2

Canada is a Minority Share holder - we  
are also in the very worst and do not

- (c) Number of black employees: 2
- (d) Number of black employees on annual contracts: 0  
of which, number of black employees separated from their families and accommodated in hostels: \_\_\_\_\_
- (e) Number of other non-white employees: 0

1.7

If workforce has significantly increased or decreased or changed in racial composition over the last 12 months and over the last four years, please indicate the number of employees concerned and state the reasons why:

up 1/3 - ~~it~~ was 2 whites + 1 Black  
Now 2 + 2

Please indicate the major industry this reporting unit is involved in: 1. Automobile and Related Industries; 2. Computer/Electronics; 3. Consumer/Goods; 4. Banking/ Finance/Travel; 5. Industrial Equipment Supplied 6. Farm/ Forestry; 7. Pharmaceuticals/Hospitals and Health Care Supplies; 8. Mining and Quarrying; 9. Petroleum and Related Industries; 10. Chemicals; 11. Insurance; 12. Advertising; 13. Publishing; 14. Construction; 15. Agricultural Equipment and Supplies; 16. Entertainment; 17. Distribution of Consumer Goods; 18. Distribution of Industrial Goods; 19. Metals Fabrication; 20. Other (Write in);

17 - Sell Locks & keys

2. GENERAL WORKING CONDITIONS

2.1 Has a comprehensive procedure for handling individual racial complaints of employees on a non-discriminatory basis been established?

Procedure is, or is being, established (describe):

We DO NOT Discriminate  
I TREAT FOR ALL

2.2 Have all employees been informed of their rights under a single grievance and disciplinary procedure which applies equally to all races? If not, please explain:

yes! They can work on client

2.3 Have work committees or liaison committees representing black employees been set up? If so, please describe; if not, please explain:

yes - 1 owner

3. COLLECTIVE BARGAINING

3.1 Are all employees, irrespective of racial or other distinctions, able to choose freely and without hindrance the type of union organization to represent them?

(a) Trade union(s) representing employees of all races. Please describe:

*[Handwritten scribble]*

(b) Trade union(s) representing black employees. Please describe.

*[Handwritten scribble]*

(c) Trade union(s) representing black employees which has/have been formed under the auspices of previously established trade union(s) representing white employees. Please describe.

*[Handwritten scribble]*

(d) Other arrangements. Please describe and explain why black employees are not represented by trade union(s):

*We would go Bankrupt*

3.2 Measures taken to establish a climate of confidence in the workplace and to extend customary basic rights to bargaining units representing black employees.

- Inform Black employees regularly and unequivocally that it is part of company policy to facilitate consultations and collective bargaining with organizations which are freely elected and representative of employees (describe procedures):

*They work & get fair wages.*

- Permit trade union officials to undertake normal duties on company premises in relation to their units among black employees and accord them reasonable time off in this regard:

*[Handwritten scribble]*



5. WAGES

5.1 Does the company implement the principle of "equal pay for equal work" by paying black employees the same wage as other employees for the same work and for the same period of time? \_\_\_\_\_

If not please explain:

*Yes*

5.2 Percentage average pay increase

Black Employees

Non-White Employees

White Employees

1987  
1988

If increases for salaried employees are different from increases for daily/hourly employees please indicate and explain the different treatment:

*Not My Business in Canada*  
*But Blacks get higher % increase than whites*

5.3 Minimum Pay for Black Employees

Number of black employees earning minimum wage	Districts where lowest paid are employed	Monthly living level (MLL) or Household subsistence level (HSL) for family of 5 or 6	City or town selected by University of South Africa (UNISA) or University of Port Elizabeth (UPE) to set MLL or HSL and date	Percentage by which minimum wage exceeds this MLL or HSL
--	--	--	--	--

1987

1988

*Not Applicable*

Minimum pay is to be understood as the monthly cash pay in salary or wages received by the lowest-paid employees. Include amounts withheld for employee contributions for health, pension, or other benefit plans plus scheduled bonuses prorated but not the cost of company-contributed benefits or overtime. The salary or wages of an employee engaged on a part-time basis only is to be prorated to the equivalent full-time salary for the purpose of this section.

Companies with jobs requiring employees to live at or near the workplace in company-provided housing and companies operating in rural areas may make special minimum pay calculations based on the inclusion of a special allowance covering the cost to the company of such items as housing and meals. The actual amount of pay in cash received by the employee should be clearly specified. Such calculations and data should conform to the standards and estimates obtainable from the University of South Africa or the University of Port Elizabeth and should assure the lowest paid employees of compensation at a supplemental living level or better. A company using this special arrangement should submit a supplemental statement explaining the circumstances and how its calculations are made.

5.4 When was the latest revision of the salary or wages of the lowest-paid black employees undertaken? Reason for that revision and its relation to change in the cost of living:

Not Available

5.5 What is the company policy, including timetable (a) for achieving, if that is not already the case, the pay levels recommended in the Code; and (b) for improving the overall level of average remuneration?

Not Available

5.6 Highest wage or salary paid to black employees:

Number receiving highest pay	Position(s)	Monthly wage or salary	Percentage by which pay exceeds MLL or HSL
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1987

1988

5.7 Average monthly wage or salary:

	Black Employees	Other Non-White Employees	White Employees
Salaried Employees	) 1987	) 1988	
Daily/Hourly Wage employees	) 1987	) 1988	

A company using the special arrangement to which reference is made in section 5.3 should submit a supplemental statement explaining the circumstances and how its calculations with respect to average monthly pay are made.

5.8 As an alternative to sub-sections 5.6 and 5.7 you may wish to provide a complete salary and wage profile for the company as an attachment to this reporting format.





Number of black employees benefitting	Annual cost to company	Number of other employees benefitting	Annual cost to company
--	---------------------------	--	---------------------------

1987

1988

7.4 Transportation: Do black employees live at some distance from the workplace? Indicate transport arrangements provided by the company to alleviate difficulties facing those employees who are obliged to commute daily some distance to the workplace and include any transport arrangements intended, for example, to enable Black employees and their families in remote areas to obtain medical services, attend school and to be reunited frequently and regularly.

*Take the Bus  
or Train*

7.5 Other benefits provided to black employees, e.g., assistance in the education of their families; providing advice and assistance on legal and other problems these employees may encounter with the authorities over their movement from one place to another, their choice of residence and their employment; leisure facilities. Please describe.

7.6 Community development: Describe the company's support in the form of expertise, sharing of experience and financial contributions to community programmes designed to improve the quality of life of black workers and their families, e.g., housing, education (including access to integrated facilities), health care, child welfare, legal aid, sanitation, water supply and any other useful social services.

*Not Applicable*



