

Burroughs Corporation



BURROUGHS PLACE • DETROIT, MICHIGAN 48232

PUBLIC AFFAIRS

July 16, 1985

Congressman Charlie Rose, Chairman
Subcommittee on Office Systems
2230 Rayburn Building
Washington, DC 20515

JUL 23 1985

Dear Congressman Rose:

The attached is being sent in response to your request for a notarized statement describing Burroughs business activities in South Africa and its adherence to the Sullivan Principles.

I apologize for the delay. If we can be of further service, please contact me at the address printed above.

Sincerely,

Patricia N. Capella
Manager, Public Affairs

/jms

Attachment



Burroughs

BURROUGHS IN SOUTH AFRICA

January 1985

Burroughs Corporation believes that by aggressively pursuing equal opportunity objectives in South Africa we have contributed materially, persuasively and by example to the efforts for change there. The following is a discussion of some significant issues surrounding our presence in South Africa which are important to Burroughs shareholders, employees, customers and other interested parties.

Commitment to the Sullivan Principles

Burroughs has been a leader in developing and implementing programs to improve conditions for non-whites in South Africa. Since 1976, we have worked closely with Rev. Leon Sullivan to accomplish positive, peaceful change. Burroughs was a charter signatory to the "Sullivan Statement of Principles." These principles are a voluntary code of corporate conduct which promotes racial equality in employment and social equality outside the work place.

Today, Burroughs has been joined by more than 120 other companies who support desegregation, equal pay, fair employment practices, expanded training programs, increased management jobs for non-whites and quality-of-life improvements.

We continue to take an active role in the Sullivan Signatory Group. The efforts of each company are assessed annually by an independent organization which reviews company reports concerning implementation of the Sullivan Principles. Consistently over the past several years Burroughs has received the highest possible rating and we are very proud of this recognition of our efforts.

Equal and Fair Employment Practices

Burroughs is committed to a policy of equal opportunity for all employees, regardless of race - from initial hiring through training and advancement, to wage increases, retirement and when necessary, separations.

Our total work force in South Africa as of July 1, 1984 numbered 563. Presently, more than 15 percent of that work force is non-white. Approximately half of the non-white employees are in positions with direct customer contact and 10 percent are in supervisory or management roles.

Salary ranges for job categories are applied equally to all employees, regardless of race. Ability and performance are the only norms used to differentiate individual salaries within a specific job category.

One of the Sullivan guidelines requires that employees be paid at least 30% over the "Minimum Living Level (MLL)" established by the University of South Africa. Burroughs policy requires periodic adjustments of all base salary ranges and salaries to ensure that entry levels begin at least 50% above the published MLL.

Desegregation of Facilities

All Burroughs employee facilities and work areas are completely desegregated and our headquarters office, services center and centralized workshop facilities have an open office plan in which everyone sits and works together.

Training and Development Programs

Training, and in particular product training, is a major part of our employee development program. On average, each of our non-white employees received ten days of formalized, in-house training during 1984 and five days of formalized training at non-Burroughs facilities. Outside technical training is related mainly to basic electronics, microprocessor orientation and software skills.

In addition, we are currently embarking on a project known as the "Top 20 Program" where twenty of our non-white staff are identified as potential high performers and special attention is being given to their training and development.

Improving the Quality of Life Outside the Work Environment

It is Burroughs' belief that the long-range solutions to the complex problems faced by this multi-racial society must be based on the improvement of educational

opportunities for non-whites. In recognition of this, Burroughs has made substantial contributions -- in scholarships, support for teacher development and adopt-a-school programs -- to both secondary and college-level institutions the past several years. Recipients of educational bursaries (scholarships) include the University of the North, University of the Western Cape, University of Zululand, University of Durban Westville, technical schools and Inanda Seminary, as well as Medunsa Medical University.

Special education grants are also given to the children of Burroughs non-white employees for use to purchase books, school uniforms and other school clothing. In 1984, 72 children received these educational grants.

Burroughs provides financial support for three programs coordinated through the Sullivan Education Task Group. The first is an education support program in which 1200 black students received special tutoring at the Witwatersrand University on a Saturday morning. A winter school program provided special tutoring for over 2400 students at vacation schools organized throughout the country during the past winter. And, a national in-service teacher development program was offered to under-qualified black teachers who taught at the primary level.

Since its inception we have been involved with the Pace Commercial College in Soweto, the largest black urban area in South Africa. Pace is a commercial high school initially sponsored by the American business community and subsequently endorsed and supported by many South African organizations. Burroughs has been one of the major contributors to the project funding. Our contributions to date amount to \$250,000 ranking Burroughs as the fifth largest contributor.

Burroughs is also actively involved in the Junior Achievement business training program for high school students. This program is particularly important because it is totally multiracial with 50% of each mini company being black and it allows these young people to develop skills which can be utilized in later business experiences. We have sponsored three mini companies and Burroughs staff have participated as advisors in all three programs. In addition, we have assisted the Centre for Developing Business, which administers the Junior Achievement Program, through the rewriting of manuals, training of coordinators and advisors and sponsorship of a leaflet used for recruiting participants.

Housing Programs

During 1984, 22 Burroughs non-white employees received non-interest home loans which enabled them to enter into home ownership or home improvement projects. Burroughs staff people periodically visit senior members of the West Rand Administration Board to assist employees in obtaining property and houses.

Community Involvement

As a community leader, we are active participants in local programs such as the United States/South African Leadership Exchange Program and the Community Development Workers Program "Betterment" which trains grass roots community development workers for Soweto, Tembisa, Alexandra and other black communities.

Burroughs also supports the Urban Foundation which was formed in 1976 and is now recognized as a leader in the promotion of social and economic reform in South Africa. The Foundation's goals are "to improve the quality of life of South African communities through the promotion of peaceful structural reform in fundamental areas of need." Through contact and lobbying at the government level, significant change has already taken place, enabling the Foundation to initiate approximately 50 projects, most of which impact structural reform.

During 1984, Burroughs sponsored a youth leadership forum conducted by the Common South African Patriotism Programme (CSAPP). This one-day conference provided an opportunity for young people of all races to seek a common ground of understanding and clarify attitudes and opinions about very basic issues in an open and honest environment.

We also supported a Legal Aid Bureau and sponsored three senior law students in summer internships with the Bureau and provided them with scholarships to complete their studies.

Sales to the Military or Police

In trading with South Africa, we adhere to the regulations of the Office of Export Administration of the U.S. Department of Commerce. We do not export, nor does our South African affiliate sell, either directly or indirectly, to police or military entities in either the Republic of South Africa or Namibia.

