



CANADIAN HUMAN RIGHTS COMMISSION

2002

**Employment Equity:
A Year-End Review**

Canada

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- This year-end review complements the Commission's *2002 Annual Report* to Parliament and explores employment equity issues in more detail. Readers should refer to the *2002 Annual Report* for an overview of the Commission's activities under the *Canadian Human Rights Act* and the *Employment Equity Act*.
- Copies of both reports can also be ordered by e-mail at **publications@chrc-ccdp.ca**.

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Introduction: A Report Card on the *Employment Equity Act*

The year 2002 was pivotal in the history of the *Employment Equity Act* and of its implementation, as a legislative review of the Act took place and an independent evaluation was conducted to measure the program's effectiveness. This year-end review examines the conclusions of these assessments, and reports on the progress of the designated groups, employers and the Commission's audits.

Key points in the year-end review include:

- The Act is working well and is still needed, but some fine-tuning is recommended.
- The Commission's recommendations on the review of the Act focused on three key priorities: improved enforcement measures; a concerted employment strategy for persons with disabilities; and clarifying employers' obligations.
- Since the Act's inception in 1986, all designated groups have made progress. Persons with disabilities, however, are still severely under-represented in the private sector and, despite recent progress, visible minorities continue to be under-represented in the public service.
- In five years, the Commission has audited 51.1% of employers subject to the Act, representing 75.4% of the workforce. The Commission has developed a streamlined audit approach to complete the audit of small employers representing the remaining quarter of the workforce.
- While most employers only comply with the Act when they are audited, they do so voluntarily, without need of enforcement measures.
- The Commission's audits not only ensure that employers comply with the Act, but also lead to improved representation of the designated groups.
- An independent assessment of the Commission's employment equity program found that the Commission is effective in fulfilling its mandate.
- Key issues in the coming years include: the changing demographics of Canada, the need to ensure that visible minorities in the public sector and persons with disabilities in the private sector have equal access to jobs, the future of the *Embracing Change* initiative in the public service, the recommendation to include employees of Parliament under the Act, and changing the human resources practices of the public service.



Program Evaluation and Stakeholder Consultations

In conjunction with the five-year review of the Act, the Commission undertook an independent evaluation of the audit program including a survey of employers' views.

Surveying employers

In October 2001, the Commission engaged Consulting and Audit Canada (CAC) to review its employment equity audit program and to conduct a mail survey of 177 employers who had either been audited or were under audit.

Some key results were:

- Between 90% and 100% found that the Commission is providing useful information on the requirements of the Act, depending on the type of information.
- All those who responded found the compliance reports provided by the Commission to be useful to them, and 78% did not find them too complex; similarly, 98% found the interim reports useful and 84% did not find them too complex.
- 60% found that the Commission uses the appropriate balance between persuasion and enforcement.
- 91% of employers were familiar with the Commission's annual report on employment equity and 78% found it useful.
- 81% of employers believed that the actions taken as a result of audits will lead to increased representation levels, 76% felt that they will lead to eliminating barriers, and 56% felt that they will achieve full representation.

These results helped shape the Commission's position, which it presented to the House of Commons Committee reviewing the Act, that the current legislation is working well, and that improvements should be made by fine-tuning and better articulating its requirements.

The survey respondents also suggested improvements to the Commission's compliance program.

- Only 57% felt that the information on the Act given by the Commission, Human Resources Development Canada and the Treasury Board Secretariat was consistent.

-
- 58% of employers believed that the audit process could be more flexible, while three-quarters wanted it to be more streamlined.

As a result, by the end of 2002, discussions were well underway to develop Memoranda of Understanding with Human Resources Development Canada, the Treasury Board Secretariat and the Public Service Commission to provide better delineation of roles and responsibilities, and better consultation on information provided to employers. The Commission has also developed a streamlined approach to audits for smaller employers.

In general, this first independent assessment of the Commission's work with employers covered under the Act confirms that the Commission is on the right track.

Evaluation results

In addition to conducting a survey of employers, Consulting and Audit Canada completed its evaluation by reviewing documents, manuals and audit files, and interviewing 29 key persons from the Commission, federal departments, and private sector employment equity consultants.

Principal findings included:

- Employers should be provided with more education about how to comply with the Act, and the Commission's role in education and promotion should be clarified. The Commission made a similar recommendation to the House of Commons Committee reviewing the Act.
- Most employers comply with the requirements of the Act only when audited.
- Employers currently rely to a large extent on the Commission for information about audit requirements and find the Commission's audit reports useful as they work to become compliant.
- Most stakeholders support the Commission focussing its audits on large employers to maximize the benefits of audits.
- Most employers consider the Commission's efforts to enforce the Act appropriate.

Overall, Consulting and Audit Canada's evaluation found that the Commission is effective in fulfilling its mandate, and the majority of recommendations endorsed the Commission's current practices.



Shaping the Future of Employment Equity in Canada: A Review of the Act

Parliamentary Review

The *Employment Equity Act* has existed for more than 15 years and requires a Parliamentary review every five years. On December 3, 2001, the House of Commons designated the Standing Committee on Human Resources Development and the Status of Persons with Disabilities to conduct the latest review.

Consultations with Stakeholders

To prepare for the Parliamentary review, the Commission first participated in the nation-wide consultations held by Human Resources Development Canada in the fall of 2001.

In January 2002, the Commission issued a discussion paper with 15 proposed changes to the Act. The discussion paper provided the basis for consultations with 32 organizations representing employers, unions, designated groups and advocacy groups.

“The Committee believes that the successful implementation of employment equity requires more cooperation among employment equity partners. Employers have an interest in establishing stronger partnerships as do labour and other employment equity advocacy groups. These partnerships can best succeed in a more open environment, including the sharing of information.”

Report on the review of the Act by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, June 2002

All organizations supported the existing legislation. Advocacy and labour groups, however, frequently mentioned concern with the low level of initial compliance and the time it takes many audited employers to come into compliance. There was strong support for clarifying the requirements of the Act. The need for more promotion of the employment equity program and its benefits, as well as more detailed education concerning how employers can achieve compliance, were also recurring themes.

The Commission submitted a report on the Act, based on the employer survey and stakeholder consultations, to the House of Commons Committee in April 2002. The report included 20 recommendations focussing on three key priorities:

- improved enforcement measures;
- a concerted employment strategy for persons with disabilities; and
- clarifying the requirements of the Act by better articulating employer obligations.

Additional recommendations included a stronger approach toward education and promotion; an enhanced role for unions; and a more solid framework for the Federal Contractors' Program.

House of Commons Committee Report


The Committee's hearings on the review of the *Employment Equity Act* took place between December 2001 and April 2002. During this period, the Committee canvassed the views of almost 100 witnesses representing designated groups and employers covered under the Act, federal contractors, experts, employment equity practitioners, labour representatives, as well as departments and agencies involved in the administration of the Act. The Commission appeared twice before the Committee to present its mandate and its views, and to provide answers to members of the Committee.

The Committee issued its report in June 2002, summarizing its findings in these words:

Almost every witness who appeared before the Committee during its review expressed the opinion that there is a continuing need for this legislation. In addition to enhancing fairness in the Canadian workplace, employment equity was also touted as good for business and crucial in helping employers prepare to meet their future skill needs as the workforce ages and a growing proportion of visible minority and Aboriginal workers contribute to labour force growth.
(...)

Our report does not call for a significant departure from the current Act at this time; a position expressed by most of the witnesses who generously shared with us their considered views, expertise and experience on this very important matter. The recommendations in our report are best characterized as directions for fine-tuning administrative processes, clarifying legislative ambiguity,





enhancing awareness and supporting the labour market development needs of disadvantaged workers. We recognize that there is a need to focus more resources in specific areas, particularly in terms of facilitating greater access to employment for persons with disabilities and Aboriginal people. We recognize that there is a need for more employment equity promotion and education as well as guidance and advice. We believe that there is some scope for administrative improvements and clarification of statutory requirements under the Act. In our opinion, the success of employment equity requires a policy perspective that addresses both sides of the labour market and, in this context, we maintain that greater emphasis must be afforded to skill acquisition initiatives, an area within the constitutional jurisdiction of the provinces, for members of designated groups.

The Committee made 29 recommendations and adopted a resolution calling for the government to respond by November 2002.

The Committee's conclusions were very similar to those reached by the Commission: that there is widespread support for the Act and that it should be maintained. Key was the proposal to develop an integrated strategy to promote the employment of persons with disabilities and Aboriginal peoples. The Committee found that both of these groups had not fared as well as was expected since the 1986 *Employment Equity Act* came into force. In its report to the Committee, the Commission pointed out that, for persons with disabilities to occupy their place in the Canadian labour force, a concerted strategy needed to be devised over and above the requirements of the current *Employment Equity Act*.

"As the Committee reported, the Act has worked. Employers, initially reluctant to engage in the process, told the Committee reviewing the Act in 2002 that they support employment equity principles and objectives."

Government's response to the report on the review of the Act by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, November 2002

The Committee also agreed with the Commission on the need to enhance the education of employers and to provide them with assistance in hiring members of designated groups.

Other recommendations put forward by the Commission, and endorsed by the Committee, included an overhaul of the Federal Contractors Program, inclusion of Parliament under the Act, the need for consistent standards of reporting data by employers in the public and private sectors, inclusion of the obligation to provide accommodation, and clarifying the requirements of the Act.

The Committee also reviewed the work of the Commission, which was given the mandate of ensuring compliance with the Act when it was last revised, in 1995. In an endorsement of the Commission's work, the Committee recommended that:

“the Canadian Human Rights Commission be provided with sufficient resources to conduct compliance audits and follow-up audits more quickly and to facilitate employers in fulfilling their obligations under the Act.”

Although the Committee agreed with most of the Commission's recommendations, it did not endorse the proposals to include in the Act requirements for better accessibility for persons with disabilities, accountability of management, and to assess whether designated groups are clustered at lower levels of the organization. Both the Commission and Human Resources Development Canada believe that these requirements are implicit in the legislation, and the Commission will continue to include them as assessment factors in the conduct of audits.

The Commission was pleased by the report, and in September 2002, the Chief Commissioner wrote to key ministers and to the Clerk of the Privy Council recommending that departments implement the Committee's recommendations.

The Government's Response

On November 8, 2002, the Minister of Labour tabled the government's response to the report issued by the House of Commons Committee. Overall, the government made few concrete proposals, and committed to further study most of the recommendations put forward by the Committee. The government also committed, among other things, to developing an employment strategy for persons with disabilities and Aboriginal peoples, to enhancing education and technical support for employers, and to breaking down barriers to the recognition of credentials obtained abroad. The Commission will work with the various federal departments involved to fulfill the government's commitments.

“As noted in the 2002 Speech from the Throne, we now have a generation of Canadians who are global, at ease with change and diversity, optimistic and eager to create, innovate and excel. The Government believes that policies to promote an inclusive workplace including employment equity, can be important tools to help Canada become a world leader in innovation and learning, a magnet for talent and investment.”

Government's response to the report on the review of the Act by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, November 2002



Status of Audits

How compliance is achieved

Employers can comply with the Act in two ways:

- by having a workforce that fully reflects the availability of designated groups in the labour market, and putting in place the mechanisms necessary to enable it to maintain this level of representation; or
- if the workforce is not fully representative, by putting in place measures required by the Act to reach full representation; these mechanisms include reviewing their employment practices, developing an employment equity plan and setting goals.

The Commission's role

There are three main elements to the Commission's role:

- The Commission audits employers for compliance and works with them to correct areas of non-compliance.
- The Commission monitors the implementation of employment equity plans and conducts audits if employers fail to make reasonable progress.
- If an employer fails to cooperate with the Commission or to achieve compliance, the Commission may, as a last resort, issue a direction instructing the employer to implement measures required by the Act. If the employer does not abide by the direction, the Commission may then refer the case to the Employment Equity Review Tribunal.

Employers under audit

To have an impact on as many employees as possible, the Commission began in 2000 to focus its efforts on large employers (Figures 1 to 4). Although 51.1% of employers (253) are under audit, their employees represent 75.4% of the workforce (714,058 employees) covered by the Act. A list of employers currently under audit can be found at the end of this report.

Figure 1 Percentage of employees under the Act covered by the Commission's audits

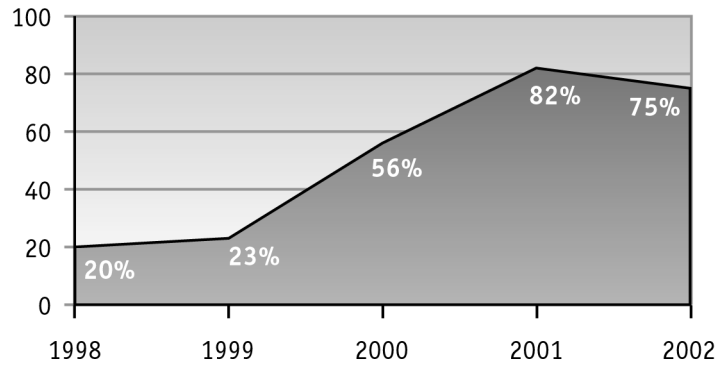


Figure 2 Number of employees under the Act covered by the Commission's audits

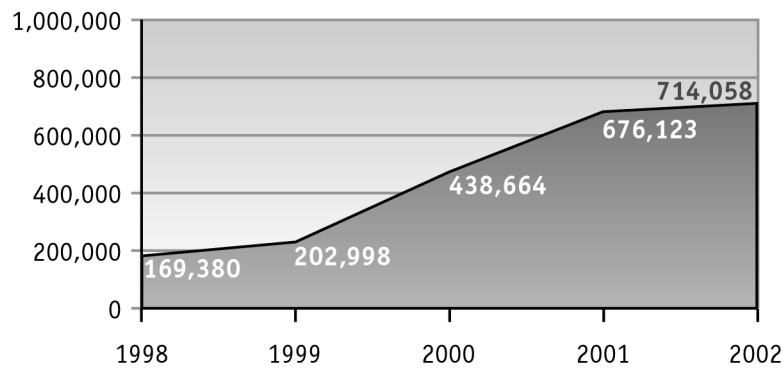


Figure 3 Percentage of employers under the Act covered by the Commission's audits

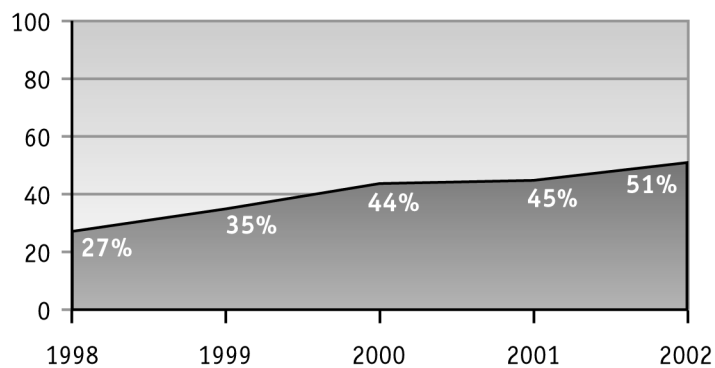
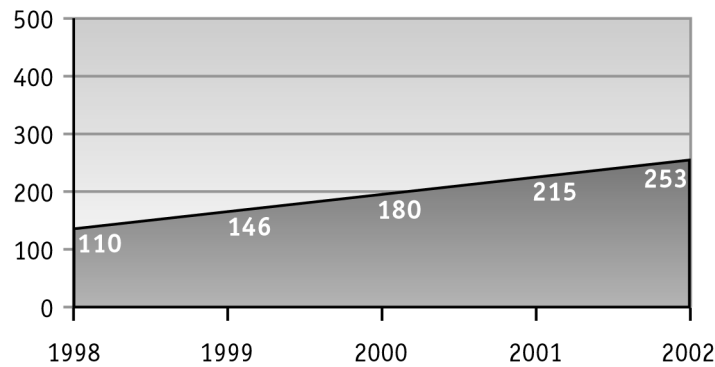




Figure 4 Number of employers under the Act covered by the Commission's audits



The slight reduction in the percentage of the workforce under audit (to 75% from 82% in 2001) is attributable to the extension of the Act this year, through Orders in Council, to employees of the Canadian Forces, the RCMP and CSIS. When Parliament passed the new *Employment Equity Act* in 1995, it made provisions to have the Act apply to the Canadian Forces and the RCMP at a later date to be determined by regulations. It also required that special regulations be passed before CSIS could be audited. The Commission, which has in earlier reports pointed to the government's delay in passing these regulations, is pleased that the Act has been extended to these organizations. Additional private sector employers also became subject to the Act this year. In total, the number of employees covered by the Act increased from 824,130 to 947,079 and the number of employers subject to the Act rose from 476 to 495.

Since the start of its mandate in 1997, the Commission has initiated audits of 253 employers or 51.1% of the current employer pool. In most cases at least one follow-up audit was required before these employers could be declared in compliance with the Act. As a result, as Table 1 shows, these employers required a total of 416 audits, representing approximately the number of audits that the Commission had estimated it would conduct in the first five years of its mandate.

Table 1 – Audits Started and Completed 1997–2002

	2002		Cumulative 1997–2002	
	Started	Completed	Started	Completed
Initial audits	38	27	253	180
Follow-up to initial audits	17	29	144	121
Follow-up to directions	5	6	19	10
Cancelled	–	5	–	25
Total audits	60	67	416	336

In 2002, the Commission initiated 60 audits. These comprised 38 new audits, 17 follow-up audits and five third audits to determine whether employers had complied with directions.

Five audits were cancelled in 2002, for a total of 25 cancelled audits since 1997. Reasons for cancelling an audit include the closing of a business or its absorption into another company, or a drop in the workforce to below 100 employees, the statutory cut-off number for the private sector.

Employers in compliance

Since 1997, the Commission has found 105 employers to be in compliance with the Act (Table 2). Of these, only one employer (Status of Women Canada) was found in compliance because its workforce was fully representative of all designated groups. Another 10 employers, or 9.5%, with under-representation in their workforce were found in compliance at the initial stage of an audit without having to sign undertakings to implement the Act's requirements. The remaining 94 employers, or 89.5%, were required to sign undertakings and undergo follow-up audits to verify that this work had been done. The 105 employers in compliance at the end of 2002 are listed at the end of this report.



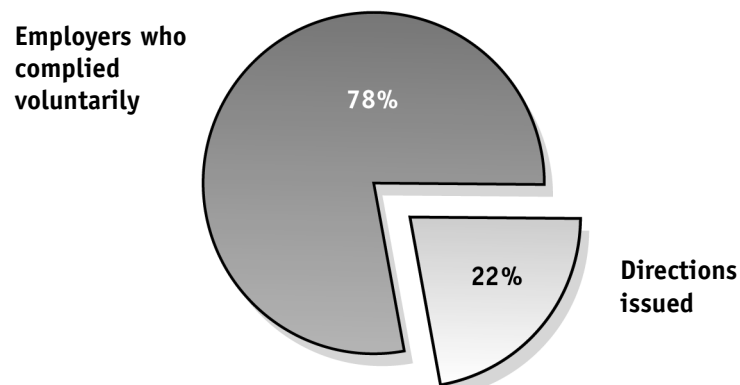
Table 2 – Employers in Compliance

Status	2002	Cumulative 1997–2002
Employers with full representation, in compliance at the initial audit	0	1
Employers with under-representation, in compliance at the initial audit (without having to sign undertakings)	3	10
Employers with under-representation, in compliance at the follow-up audit (after signing undertakings)	29	94
Total employers in compliance	32	105
Employers who were issued a direction by the Commission	3	23
Tribunals (requested by the Commission or by employers)	1	8

Employers in enforcement

Parliament provided that the *Employment Equity Act* was to be applied by the Commission in a spirit of persuasion and cooperation, and that enforcement measures would be taken as a last resort. The latest parliamentary review of the Act endorsed this approach. In five years of audits, the Commission has had to issue directions to only 23 employers; of these, 10 are now in compliance with the Act.

Figure 5 Voluntary compliance vs. Directions (1997-2002)



In 2002, the Commission issued directions to three employers: Bradley Air Services Ltd. (First Air), the Canadian Grain Commission and Allied Systems (Canada) Company. A list of all employers who have been issued directions is included at the end of this report.

The Commission referred one employer to the Employment Equity Review Tribunal in 2002: N. M. Paterson & Sons (Grain) has failed to implement the undertakings it had signed in 1999 and to abide by the direction issued in 2000. No date has been set for this hearing. A list of all employers referred to the Tribunal can be found at the end of this report.

The number of directions issued by the Commission peaked at 10 in 2000 and decreased significantly to 3 in 2002 (Figure 6). Similarly, the number of cases referred to the Tribunal by the Commission or by employers reached its maximum of 4 in 2001, dropping to 1 in 2002. This pattern is the result of the launch of a large number of audits (110) in 1998, which led to directions and referrals to the Tribunal two to three years later.

Figure 6 **Number of directions issued
(1998-2002)**

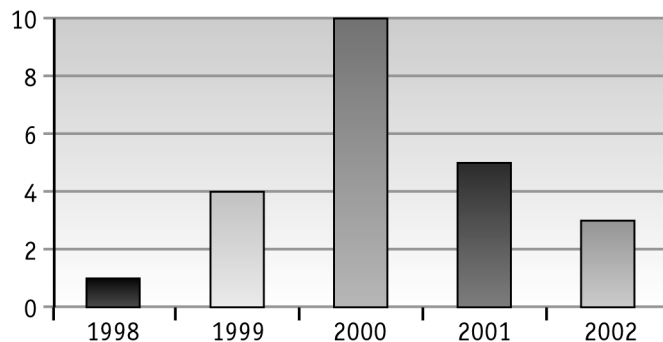
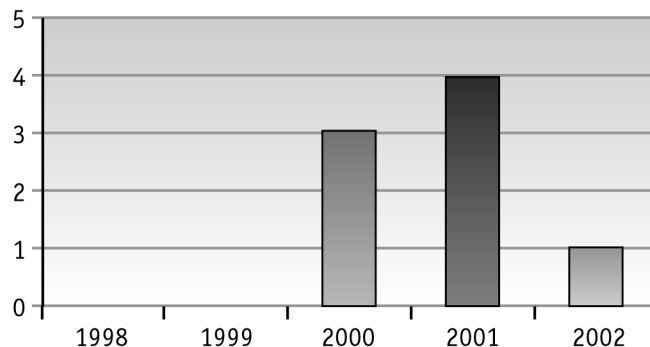


Figure 7 **Number of referrals to Tribunal
(by the Commission or by employers)
1998-2002**





Education and promotion

In addition to its audit work, the Commission's Employment Equity Branch delivers training sessions, presentations and workshops that explain the Act, dispel myths and help employers to better understand their obligations. These sessions also give the Commission a better understanding of the concerns of employers, unions, stakeholders and designated group members.

The Commission delivered 57 training sessions, presentations and workshops across the country in 2002.

"Almost all witnesses pointed out that success in achieving employment equity depends on many activities that fall outside the legislation. This is as true in achieving an understanding of equity in the general population as it is in the workplace. Chief among these activities are education and promotion that will support the goals expressed in the Act itself."

Report on the review of the Act by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, June 2002

Crossing a New Threshold

In addition to requiring that employers identify barriers and develop an employment equity plan to respond to under-representation, the Act also requires that employers make reasonable efforts to implement their plans and achieve progress toward eliminating gaps between representation and labour market availability.

The Act states:


11. *Every employer shall ensure that its employment equity plan would, if implemented, constitute reasonable progress toward implementing employment equity as required by this Act.*
12. *Every employer shall*
 - (a) *make all reasonable efforts to implement its employment equity plan; and*
 - (b) *monitor implementation of its plan on a regular basis to assess whether reasonable progress toward implementing employment equity is being made.*
- (...)
22. (1) *The Commission is responsible for the enforcement of the obligations imposed on employers by sections 5, 9 to 15 and 17.*

In 2002, the Commission began monitoring employers who had been found in compliance with the Act to ensure that they are acting on their plans and meeting their employment equity goals.

“In my experience, the audit process has been the most powerful tool (I might even say the only effective tool) to promote EE that I have seen so far in my career. My one urgent appeal is that the Commission show employers as soon as possible that it will be equally zealous in its second stage audits—that is, ensuring that organizations act on their plans and meet their numerical goals. I suspect that many employers still make their plans and put them in the bottom drawer considering themselves “finished” with EE. A few second stage audit dates, well publicized, would begin to dispel this notion.”

A member of the Toronto Employment Equity Practitioners Association





Each year, every private sector employer covered under the Act and the Treasury Board Secretariat for the federal government files a statistical report on its employment equity progress with Human Resources Development Canada.

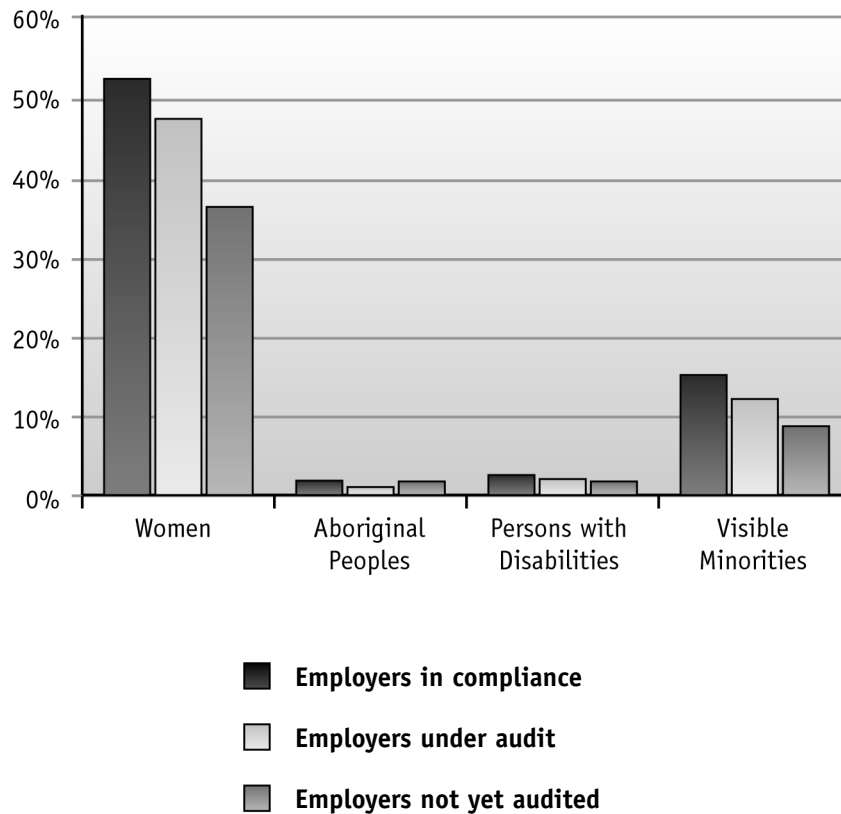
The Commission compares the results achieved by employers with the goals that they have set in their employment equity plans. If the goals are met, it can be assumed that employers have correctly identified barriers to the employment of designated groups, that the plans contained appropriate measures to remove those barriers and to improve representation, and that employers are making reasonable efforts to implement their plans.

If employers have failed to meet their goals, the Act allows the Commission to conduct a new audit to determine why. The Commission may then require new undertakings from the employer to correct any deficiencies. In 2002, initial results from the monitoring of a small sample of compliant employers became available.

Do employers in compliance achieve better representation?

There is mounting evidence that the audits are increasing the representation of the four designated groups in both the private and public sectors. The combined workforce of private sector employers found in compliance with the Act is more representative than that of private sector employers who have not been audited or have not yet completed the audit process.

Figure 8 Federally Regulated Private Sector Employers




In the public sector, the representation of all designated groups is higher in the workforces of departments in compliance compared to the workforces of departments that have not been audited or have not yet completed the audit process. The most striking example is the level of representation of persons with disabilities, which stands at 6.0% among public sector employers in compliance, but at only 4.6% among public sector employers not yet in compliance. This difference, although attributable in part to a rise in the number of employees who identify themselves as persons with disabilities, demonstrates that it is possible to achieve a level of representation close to labour market availability (6.5%) for this designated group.

Are employers in compliance meeting their goals?

After they are found in compliance with the Act, employers set three-year goals for hiring and promoting members of designated groups as part of their employment equity plan.

By the end of 2001, 25 private sector employers were two years into this three-year period and had met approximately 30% of their goals. The proportion of goals met



varied by designated group: these same employers met 50% of their goals for hiring women, 31% of their goals for visible minorities, 27% for Aboriginal peoples and only 16% for persons with disabilities. The Commission is completing its monitoring of the performance of these and other employers and will be initiating audits of those who have failed to make reasonable progress in achieving their three-year goals. In the next few years, it expects to be able to determine whether employers in compliance with the Act are making reasonable progress in achieving their employment equity goals.

These results are still preliminary, since they apply to a limited number of employers and cover only a two-year period. Although it is too early to draw definitive conclusions, these results could indicate that:

- Employers in compliance continue to show better results in terms of representation than employers who have not achieved compliance.
- It will be a challenge for many employers to fully meet their goals. This means that over the next few years, the Commission may have to re-audit a good number of employers. This may prove difficult without new resources, since the Commission still has to audit 242 employers whose initial compliance with the Act has yet to be verified.
- The audit process itself contributes to reaching the Act's ultimate purpose—breaking down barriers to employment and ensuring full representation of designated groups.

Progress of Designated Groups

This section describes and interprets statistical data on the representation, hiring, promotion and termination of designated group employees in workplaces covered by the *Employment Equity Act*. Data are drawn from the annual employment equity reports filed by public and private sector employers.

Private sector employers have been filing employment equity reports with Human Resources Development Canada for 15 years.

A total of 408 employers in the banking, communications and transportation sectors, as well as employers from the "other" sector, which includes organizations such as grain companies, uranium mines, nuclear power operations, credit corporations and museums, filed data on their combined workforces of about 635,000 employees at the end of 2001.

The private sector workforce increased by 5% overall compared with 2000, the largest individual workforce increase of 14% occurring in the banking sector. In the private sector, almost 6,000 more employees were hired in 2001 than in 2000, resulting in more than 109,000 opportunities to hire members of the four designated groups. These increased opportunities were primarily in the banking and transportation sectors.

In the public sector, more than 17,000 job openings were filled, about 14,000 more than the previous year, of which nearly 5,000 were permanent jobs. In addition, the Treasury Board reported on employment equity in 68 federal departments and agencies with a combined workforce of about 157,500 employees as of March 31, 2002.

As the Treasury Board data indicate, there were ample opportunities to hire designated group members in the federal public service. There was an increase in the hiring of visible minorities, while the hiring of women and Aboriginal peoples was about the same as the year before. Only the hiring of persons with disabilities was significantly less than the previous year.

However, the following points should be noted:

- Comparison of workforce data in the private and public sectors uses the 1996 Census availability for women, visible minorities and Aboriginal peoples as the 2001 Census is not yet available. The accompanying graphs compare the progress of the four designated groups for the 15-year period from 1987 to 2001.



- The availability estimates for persons with disabilities are taken from the 1991 Health and Activity Limitation Survey (HALS), as a new HALS was not conducted in conjunction with the 1996 Census. The Participation and Activity Limitation Survey (PALS) conducted in 2001 is not yet available.
- The availability estimates which the Treasury Board Secretariat (TBS) has prepared for all designated groups using 1996 Census data are restricted to Canadian citizens. This reduces the actual availability percentage of visible minorities from 10.3% to 8.7% owing to the exclusion of permanent residents. The TBS rationale for excluding permanent residents is that the *Public Service Employment Act* gives an absolute preference to Canadian citizens in hirings into the public service.
- The shares of hirings or terminations in the following summaries refer to the percentage of people hired or terminated who were members of a designated group. Normally, if there were no employment barriers, a designated group would receive the same share of hirings as its availability in the Canadian workforce. For terminations, however, the group's share should correspond to its existing representation within the organization.

Women

In the private sector: In 1987, women made up 40.1% of the private sector workforce. By 2001, their representation had increased to 44.9%, in line with their 46.4% availability. Women's share of hirings increased from 38.7% in 2000 to 41.3% in 2001.

Women's representation varied considerably from one industrial sector to another. It was highest in the banking sector (71.0%), where women hold most of the large number of clerical jobs, though they are increasingly moving into professional and managerial positions. Women's representation was lowest in the transportation sector (24.6%), where a large proportion of jobs has not traditionally been held by women.

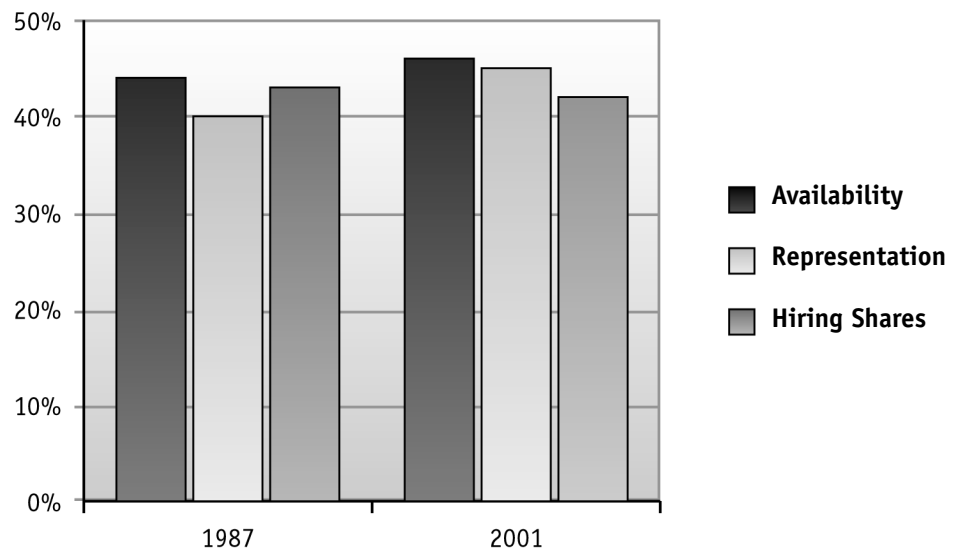
In 2001, women's share of senior management positions increased slightly from the previous year to 19.6%. The banking sector saw a particularly notable increase in women senior managers, from 23.7% in 2000 to 25.4% in 2001, which surpasses the 1996 Census benchmark of 20.8%.

In the transportation sector, the percentage of jobs held by women varied little between 2001 (24.6%) and 2000 (24.2%), but was substantially higher than the 16% reported in 1987. Women have progressively been hired at a rate greater than their representation so that by 2001 they accounted for 30.5% of all hires. Women now hold 25.3% of all managerial and professional jobs in this sector. The largest group

of jobs in transportation (close to 31%) are in the semi-skilled manual workers occupational group which includes various kinds of drivers and women hold 11.7% of these jobs with close to half working in part-time school bus driver positions.

In 2001, about 22% of women compared with 9% of men in the private sector worked in part-time or temporary jobs. This pattern holds true for visible minority women and women with disabilities, and is most noticeable for Aboriginal women, 25% of whom work on a part-time or temporary basis. This concentration in part-time and temporary employment and in lower paying clerical and sales and service positions contributes to women receiving 81% of the salary received by men.

**Figure 9 Women
Private Employers and Crown Corporations**



In the public sector: Women’s representation in the federal public sector was 52.5% as of March 31, 2002, slightly higher than the previous year and in line with the Census benchmark of 46.4%. This is a substantial improvement over 1987, when 42% of federal public servants were women. Women received 56.8% of all hires, approximately the same as in the previous year.

The share of executive positions held by women increased from 23% in 1997 to 32% as of March 31, 2002. Women received 42.5% of all hires into the Executive category in 2001, an increase from the 34.1% received the previous year. In the Scientific and Professional category, women received close to 50% of all hires, and now occupy 38.9% of all positions.

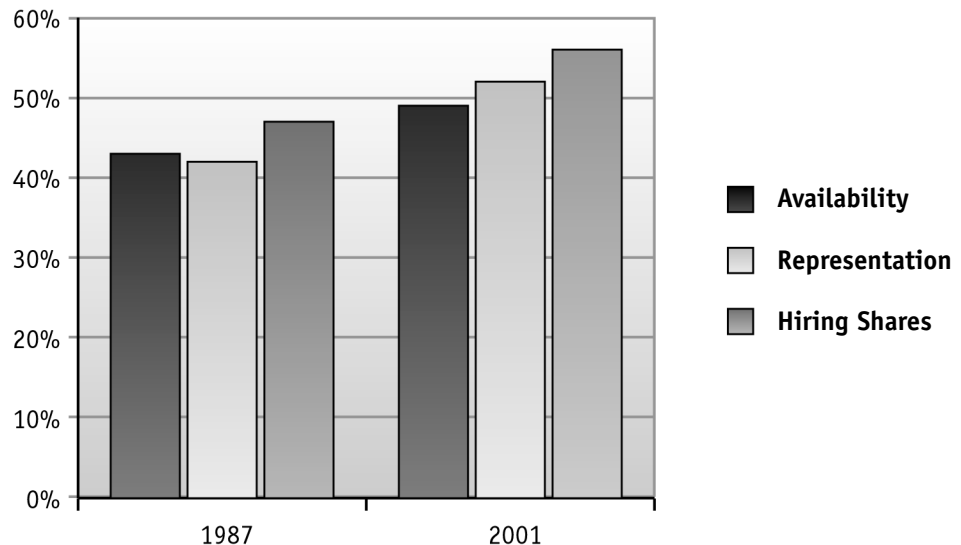
Although these are encouraging signs of progress, there remains room for improvement. Women continue to be hired more often into temporary positions.



In 2001, 25% of women were hired into permanent positions compared to 32% of men. In addition, 43% of women were hired into administrative support positions, compared to 16% of men.

As in previous years, women's representation in public sector organizations with 200 or more employees was highest in those with a high proportion of clerical positions: the civilian staff of the Royal Canadian Mounted Police at 77.6% and the National Parole Board at 77.5%. It was lowest at 29.8% in the Department of Fisheries and Oceans, owing to the high proportion of jobs in the scientific, technical and operational categories in this department.

**Figure 10 Women
Federal Public Service**



Members of Visible Minority Groups

In the private sector: The representation of visible minorities has increased steadily from 4.9% in 1987 to 11.7% as of December 31, 2001. Although this is in line with the 10.3% 1996 Census benchmark, the 2001 Census is expected to establish a higher estimate of labour market availability for this group. In 2001, visible minorities received 12.6% of all hires, up from 12.0% the previous year. This percentage surpassed the 1996 Census benchmark for the past three years.

Representation of visible minorities increased in all four private sector areas. In the banking sector, their representation rose from 16.6% in 2000 to 17.1% in 2001. Their solid representation results from visible minorities consistently being hired well above their availability since 1988. Visible minorities hold 20.6% of all professional

occupations in the banks, and they also registered an increase in senior management positions from 5.2% in 2000 to 6.1% in 2001.

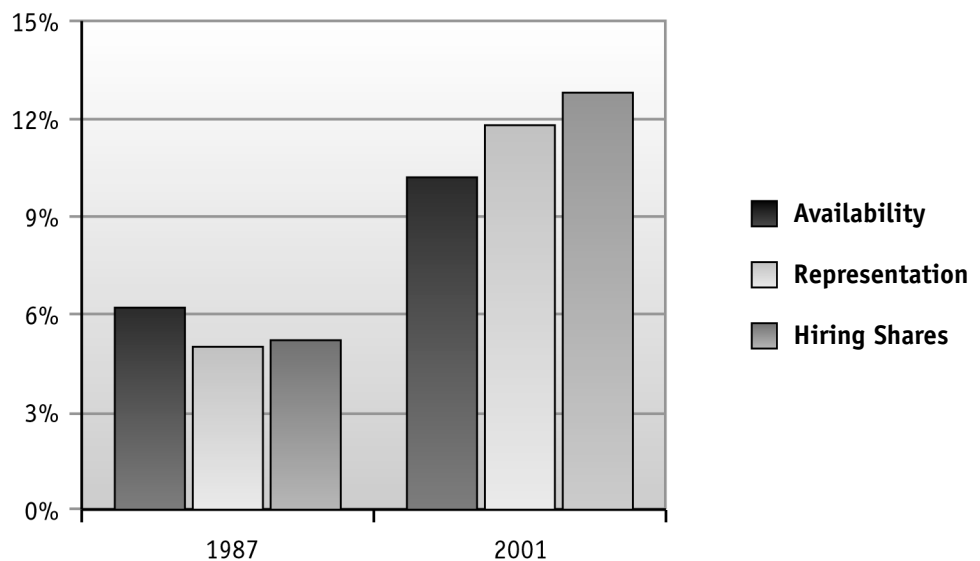
In the communications sector, the representation of visible minorities reached 10.8% in 2001, exceeding the 1996 Census benchmark for the first time. Their share of hires in 2001 was 15.5%, substantially higher than the 12.5% they received in 2000.


In the “other” sector, the representation of visible minorities increased to 7.9% in 2001 from 6.8% in the previous year. Although visible minority hires rose from 7.1% in 2000 to 8.1% in 2001, this was still substantially lower than their 1996 availability.

The representation of visible minorities was lowest in the transportation sector, but it did increase to 7.6% in 2001 from 6.9% in 2000, and is triple their 2.5% representation in 1987. Their share of hires increased slightly to 10.0% from 9.6% in the previous year.

Although progress is being made for this group, their representation remains below the 1996 Census benchmark in the transportation and “other” sectors. The 2001 Census is expected to set a higher standard, and substantial efforts are required if visible minorities are to achieve full representation in these sectors.

**Figure 11 Visible Minorities
Private Employers and Crown Corporations**





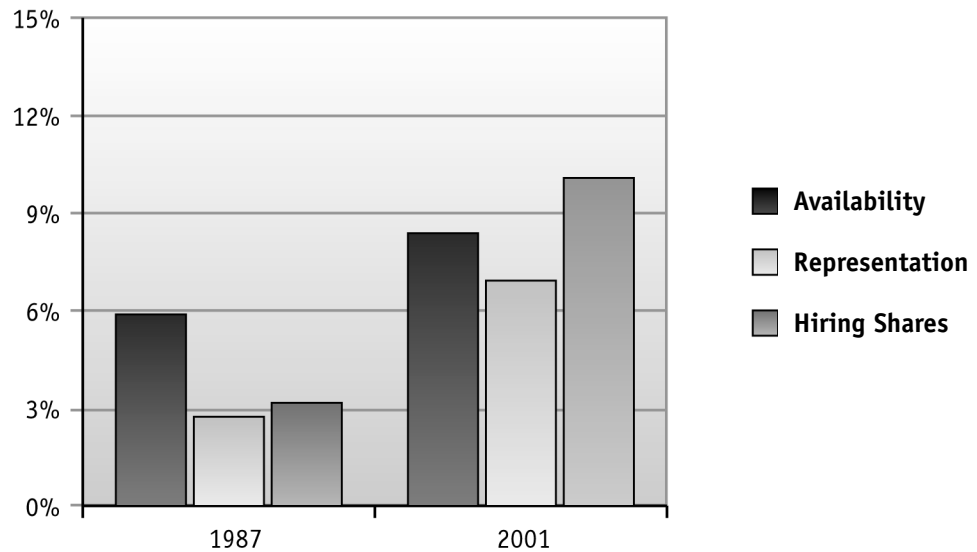
In the public sector: In 1987, visible minorities held 2.7% of positions in the federal public service. By March 31, 2002 their representation had increased to 6.8%. Treasury Board data indicate that the share of hires received by visible minorities has increased substantially from 5.7% in 1999 to 8.1% in 2000, and to 10.0% in 2001. More strikingly, their share of permanent hires rose from 11.5% in 2000 to 12.3% in 2001, and their share of hires into temporary jobs was 9.1%, a substantial increase from the year before when they received 7.3% of hires.

Much of this progress can be attributed to the federal public service's *Embracing Change* initiative, which was the government's response to the action plan proposed by the Task Force on the Participation of Visible Minorities in the Federal Public Service. Under this initiative, targets were set to remedy the past exclusion of visible minorities from the public service, including a goal of one in five recruitments for visible minorities by the end of fiscal year 2002-2003.

At this point, however, it appears unlikely that this target will be met. Although the increased representation of visible minorities is encouraging, continued efforts are still needed. The increase that has occurred can be attributed to 33 of the 41 departments or agencies with 200 or more employees, but only 11 of these departments met the 8.7% availability established by the Treasury Board, and only 6 met the 1996 Census benchmark of 10.3%. Both standards are expected to increase when 2001 Census employment equity data become available. Similarly, in the Executive category where the same one in five recruitment goal applies, visible minorities held 3.8% of positions as of March 2002, and of the 73 hires into this category in 2001-2002, 3 (4.1%) went to visible minorities. As a result, the Commission recommends that the government maintain and strengthen the *Embracing Change* initiative.

During the course of audits, departments are required to set hiring and promotion goals to remedy under-representation. Once the 2001 Census employment equity data become available, departments will have to revise their goals to take the higher benchmarks into account. The Commission will be carefully monitoring whether departments and agencies meet their goals. If they fail to do so, the Commission may initiate audits to examine whether they have implemented their employment equity plans, and may take additional enforcement action if necessary.

**Figure 12 Visible Minorities
Federal Public Service**



Aboriginal Peoples

In the private sector: In 1987, 0.6% of private sector employees were Aboriginal peoples. By 2001, this had risen to 1.6%, slightly higher than the 1.5% achieved in 2000, and still lower than the 1996 Census benchmark of 2.1%. The share of hires received by Aboriginal peoples increased slightly from 1.6% in 2000 to 1.7% in 2001. Overall retention does not appear to be a major problem since Aboriginal peoples did not leave jobs in higher numbers than expected. For the second year in a row, the number of hires received by Aboriginal peoples substantially exceeded terminations.

Of the four private sectors covered by the *Employment Equity Act*, the “other” sector includes mining, fish marketing and grain operations located in northern and western regions which employ a large number of Aboriginal peoples. In 2001, the representation of Aboriginal peoples in this sector reached a new high of 2.7%, triple the 0.9% achieved in 1987 and up from 2.4% the previous year. Aboriginal peoples’ share of hires rose from 2.3% in 2000 to 2.9% in 2001. Of note is the fact that their share of terminations fell for the fourth year in a row (2.1%) in 2001.

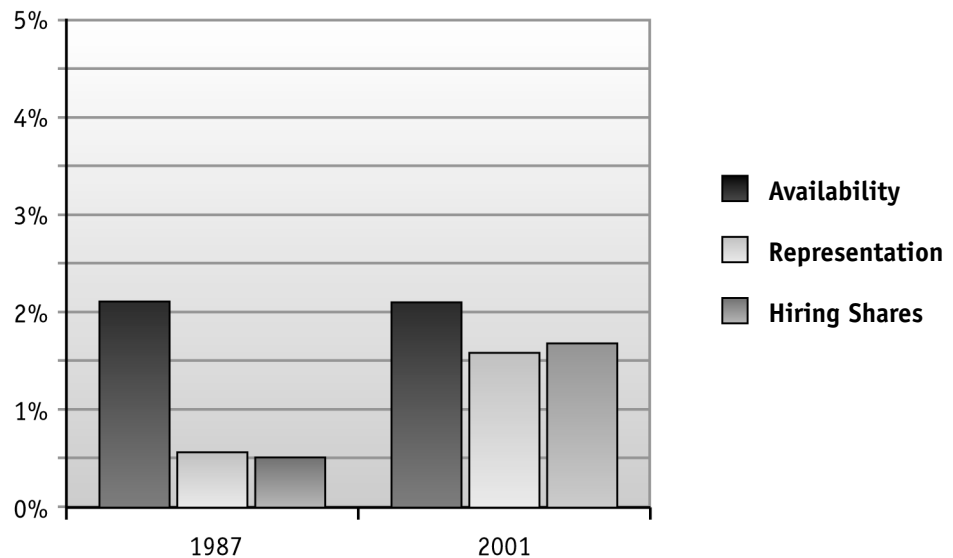
In the transportation sector, Aboriginal peoples’ representation increased from 1.8% in 2000 to 2.0% in 2001, close to the Census benchmark, and in the communications sector it increased slightly from 1.3% to 1.4%. In both these sectors, the number of Aboriginal peoples hired exceeded the number who left their jobs.

In contrast with increases in the three industrial sectors described above, Aboriginal peoples’ share of jobs in the banking sector fell for the second year in a row from 1.2% in 2000 to 1.1% in 2001. This decrease is due to Aboriginal peoples receiving



0.9% of all hires. The number of Aboriginal peoples leaving jobs in this sector has been consistently higher than other employees, and the number who left exceeded the number hired. Until this situation is remedied, Aboriginal peoples will not progress in the banking sector.

**Figure 13 Aboriginal Peoples
Private Employers and Crown Corporations**



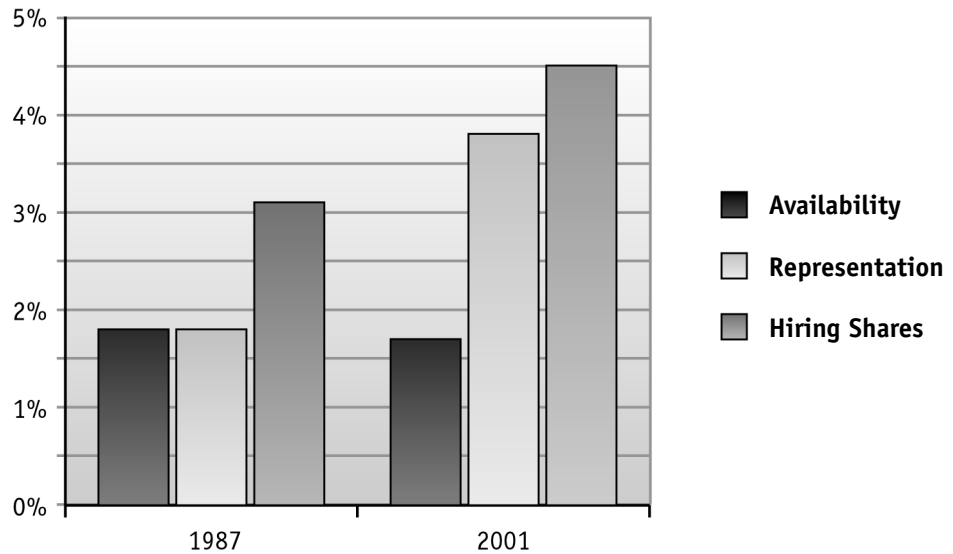
In the public sector: The share of jobs held by Aboriginal peoples in the federal public service has increased every year since 1994. As of March 31, 2002, this share had risen to 3.8% from 3.6% the previous year. Aboriginal peoples received 4.5% of all hires in 2001, more than double the 1996 Census benchmark of 2.1%.

Among the 41 federal departments and agencies with 200 or more employees, Indian and Northern Affairs Canada (INAC), where Aboriginal peoples occupy 29.9% of all positions, employs close to one-fifth of all Aboriginal peoples in the federal public service. Even with INAC removed, the representation of Aboriginal peoples in the public service is 3.2%, substantially higher than the 2.1% Census benchmark. As of March 31, 2002, 34 or 83% of these 41 departments and agencies met the Census benchmark of 2.1%, an increase of eight over the previous year.

Only in the Executive category, where no Aboriginal peoples were hired, was the Census benchmark not met.

During the course of audits, the Commission is paying close attention to hiring goals to ensure that Aboriginal peoples receive equitable treatment in all occupational categories and in all federal departments and agencies.

**Figure 14 Aboriginal Peoples
Federal Public Service**



Persons with Disabilities

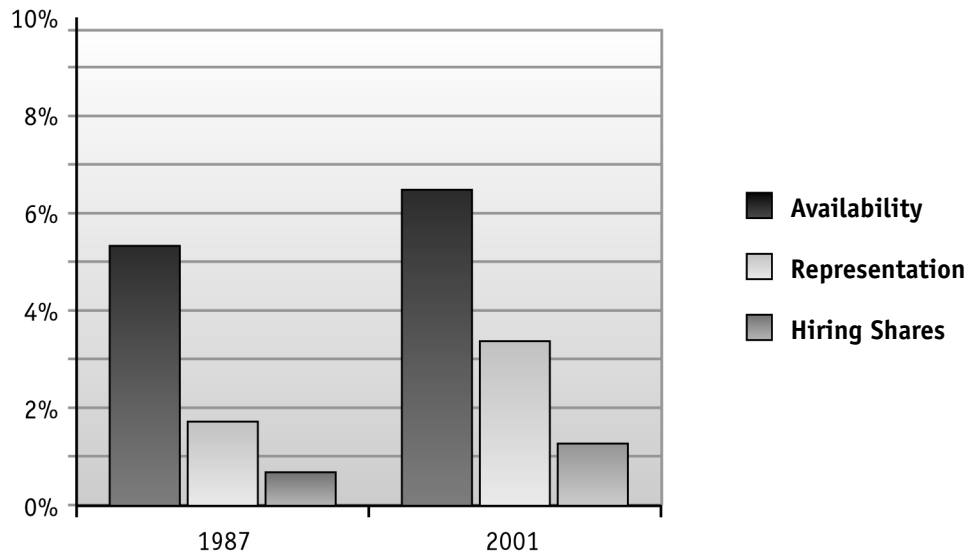
In the private sector: Of all the designated groups, persons with disabilities in the private sector have least benefited from the Act. Persons with disabilities make up only 2.3% of the private sector workforce, only a slight increase over the 1.6% share reported in 1987 and far below the 6.5% labour market availability for this group. In 2001, the share of hires received by persons with disabilities increased slightly to 1.2% from 1.0% the previous year. In sharp contrast to the other three designated groups, the number of persons with disabilities hired was substantially lower than the number who left the workforce.

In 2001 persons with disabilities experienced under-representation in all industrial sectors. Only in the transportation sector did the representation of persons with disabilities rise from 2.2% in 2000 to 2.5% in 2001. And only in the transportation sector, and for the first time, the number of persons with disabilities hired exceeded the number whose employment was terminated.

In the “other” sector, persons with disabilities held 2.7% of all jobs, a proportion relatively unchanged since 1989. In communications, representation was 2.3%, slightly lower than the year before, and in the banking sector, representation of persons with disabilities was the lowest, with a decrease from 2.3% in 2000 to 2.0% in 2001. The banking sector has the lowest representation of persons with disabilities (0.8%) of any private sector.



**Figure 15 People with Disabilities
Private Employers and Crown Corporations**

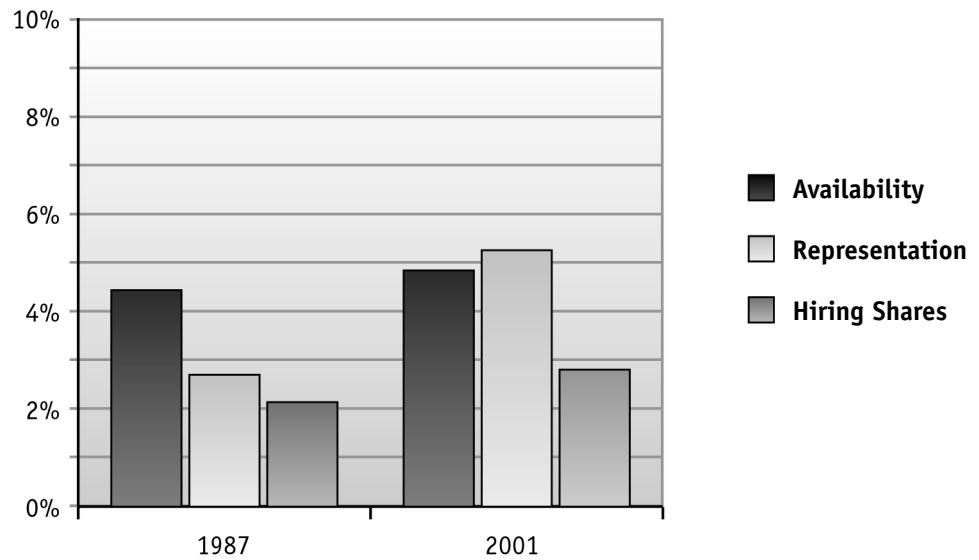


In the public sector: Representation of persons with disabilities in the federal public sector increased to 5.3% as of March 31, 2002, up from 5.1% in the previous year. Although higher than the 4.8% benchmark used by the Treasury Board, this share still falls short of this group's 6.5% availability based on the 1991 Health and Activity Limitation Survey (HALS).

As of March 31, 2002, of the 41 federal departments and agencies with more than 200 employees, 8 met the 6.5% HALS benchmark, compared to 7 the previous year, and 26 met the 4.8% benchmark set by the Treasury Board, up from 22 the year before. Compared with the previous year, persons with disabilities increased their share of jobs in 14 departments, lost ground in 20, and remained the same in seven.

The increase in the number of persons with disabilities in the federal public service is mainly attributable to increased self-identification, not hires. In fact, in 2001–2002, more persons with disabilities left the public service than were hired. Persons with disabilities made up 2.8% of hires during that year, down from 3.1% the previous year. In the same year, only one person with a disability was appointed to the Executive group. The share of hires received by persons with disabilities in all other occupational categories was substantially lower than both the Treasury Board benchmark of 4.8% and a labour market availability of 6.5%. During the course of its audits, the Commission is carefully evaluating hiring goals for this designated group. As with other employment equity goals, the Commission will monitor the implementation of goals for hiring people with disabilities.

**Figure 16 People with Disabilities
Federal Public Service**



Overview

In the private sector, women made gains in the management and professional occupations and visible minorities made gains overall, with substantial differences among industrial sectors. Aboriginal peoples registered increases in all sectors except banking. Persons with disabilities received far fewer hires than expected based on their availability, remaining severely under-represented in all sectors.

In the federal public sector, women achieved a significant share of executive positions and Aboriginal peoples and persons with disabilities made progress as well. Although it is encouraging to note the increased share of hires going to visible minorities, a considerable distance remains before this group achieves full representation in the public service.

Once departments are in compliance with the *Employment Equity Act*, the Commission still continues to monitor the implementation of their hiring and promotion goals. If employers fail to achieve reasonable progress, further action will be taken by the Commission to ensure that all four designated groups are fairly represented under the terms of the *Employment Equity Act*.



Key Issues in Employment Equity in 2002

Various issues have dominated the scene in employment equity this year.

Embracing Change

- The *Embracing Change* initiative has resulted in progress for visible minorities in the federal public service. The targets set under this initiative are a good example of the kind of proactive goals needed to remedy the past exclusion of visible minorities from the public service. With the current rate of progress, however, the Commission is concerned that the government will fail to meet its target. Although the share of hiring for visible minorities has nearly doubled from 5.7% to 10.0%, this is significantly below the 20% hiring goal which the government wanted to meet by March 2003. The same 20% goal applies to the Executive category where, as of March 2002, visible minorities held 3.8% of positions, and of the 73 hires into this category in 2001–2002, three (4.1%) went to visible minorities. In view of this shortfall and of the pending increase in availability which will result from the 2001 Census, the Commission recommends that the government maintain this initiative and strengthen its approach with additional measures and necessary funding.

Persons with Disabilities

- Of all the designated groups, persons with disabilities continue to make the least progress and to be severely disadvantaged in the labour market, especially in the private sector. In its response to the House of Commons Committee reviewing the *Employment Equity Act*, the government committed to work with the provinces and territories on a strategy for increasing the number of persons with disabilities in the workforces of all employers covered by the Act. The Commission awaits with interest the outcome of the government's discussions and initiatives for this designated group and will continue to call for more vigorous action until persons with disabilities are no longer excluded from their fair share of employment.

New Census Data

- Results from the 2001 Census affirm Canada's growing diversity.
 - Canadians who are visible minorities now constitute 13.4% of the country's population, up from 11.2% in 1996, and they account for as much as 37% of the population of some Canadian cities.
 - Aboriginal persons now represent 3.3% of the nation's population, up from 2.8% five years ago. With Aboriginal children constituting 5.6% of all Canadian children aged 14 and under, their presence will soon be significant to the Canadian labour market.

These demographic changes will be reflected in higher availability data for employers subject to the *Employment Equity Act* and will necessitate revision of their workforce analyses and hiring goals.

Economic globalization puts a premium on using all key resources in the most effective and efficient manner, and human resources are increasingly the most important of these resources. These demographic changes point to employment equity as a critical element in supporting the Canadian environment as it adjusts to the new realities of a value based economy.

More than time is needed to alleviate discrimination

- A study entitled *Is Work Working for Workers of Colour?* conducted by the Canadian Labour Congress and released in November 2002 concluded that "racial discrimination plays a major role in creating and sustaining large differences in the quality of jobs and in the economic security" of visible minorities in Canada. Analysing the substantial income gaps between visible minority workers and all other workers, regardless of education or age, the study questioned the "catch-up" theory that suggests economic differences based on race disappear as immigrants gain more Canadian job experience and move into the mainstream, as did previous white European immigrants. In fact, trends since 1980 do not support this theory. This study underlines the need for social policies, such as employment equity, to redress inequities that time and labour market conditions alone will not rectify.





Giving preference in employment to Canadian citizens

- On March 8, 2002, the Supreme Court of Canada rendered its judgement in *Bailey v. Canada* and *Lavoie v. Canada* and found that the provision in the *Public Service Employment Act* giving preference to Canadian citizens for federal public service jobs open to the public, regardless of merit, discriminates against permanent residents but is constitutional. The Court ruled that to motivate immigrants to become Canadian citizens, the policy is a justifiable infringement of the *Canadian Charter of Rights and Freedoms* equality guarantees. The ruling also said that it was up to Parliament to enact non-discriminatory legislation. The Commission recommends to the President of the Treasury Board that she remove this preference in the new legislation being proposed to modernize human resource management in the federal public service.

Including Parliament under the Act

- When the Commission tabled its report on the review of the Act in April 2002, it recommended that employees of the House of Commons, the Senate and the Library of Parliament be among those who benefit from the protection of the Act. In his testimony before the House of Commons Committee reviewing the Act, the Clerk of the House of Commons pointed out that employees of Parliament were not subject to the Act because of the principle of parliamentary privilege. The Committee recommended that the Act fully apply to the Library of Parliament, and that the Canadian Human Rights Commission be allowed to conduct audits on the implementation of the Act for employees of the House of Commons and the Senate, without being allowed to take enforcement action, thus preserving parliamentary privilege.

In its November 2002 response, the government did not agree with this recommendation, for reasons dealing with parliamentary privilege. It committed to assist Parliament in achieving the Act's objectives, without Parliament being subject to the Act.

The Commission recommends that the government revise its position and adopt the compromise put forward in the Committee's report to the House of Commons. In this way, it would extend the same human rights protection afforded to other workers under federal jurisdiction, while preserving parliamentary privilege.

Harassment in the Public Service

- In the 2002 Public Service Employee Survey results, 21% of employees reported that they had been the victims of harassment and 17% declared they had been the victims of discrimination on the job in the previous two years. As part of its audit process, the Commission requires that employers have appropriate policies in place to prevent instances of harassment and discrimination. The Commission will continue to emphasize this aspect of its compliance work and with nearly all federal departments and agencies under audit, look to decrease these incidents in the next few years.

Decreasing shares of designated group members in the public service recruitment process

- Results from a recent Public Service Commission study showed that the proportion of each of the four designated groups decreases as the recruitment process proceeds from application to successful completion. The study attributes this to *bona fide occupational requirements* such as citizenship, education, experience or language skills. Audits by the Commission have found that some of these requirements are at times set with more than just the job to perform in mind. Managers often require extensive experience as a way of narrowing down the potential number of applicants, sometimes because they have a specific candidate in mind, or sometimes simply to keep the task of selection manageable. The Commission hopes that this study will lead to a review of job requirements set by managers, and that results will continue to be monitored until all applicants have the same opportunities to succeed.



Getting it Right: New Orientations and Best Practices

The 2002 Speech from the Throne

The 2002 Speech from the Throne outlined an equality agenda for the coming years. It included initiatives designed to improve the lives of Aboriginal peoples and to remove barriers to recognition of foreign credentials, which often prevent visible minorities from making their full contribution to the labour market. The Commission will be observing with interest the implementation of these commitments.

“The Employment Equity Act is testimony to Canada’s commitment to inclusion, fairness and social justice. The current Act seeks to ensure that Canadians are provided with fair employment and promotion opportunities with the employers it covers. Notwithstanding the strong legal foundation deriving from the Act, the Government recognizes that it must continue working towards fairness and social justice for members of the designated groups.”

Government’s response to the report on the review of the Act by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, November 2002

Improving accountability for employment equity in the public service

In previous annual reports on employment equity, the Commission has pointed to the lack of employment equity performance standards in the accountability contracts of senior executives in the public service. For 2002–2003, the Clerk of the Privy Council has included an objective to that effect in the performance agreements of Deputy Ministers. It is now vital that Deputy Ministers include similar accountability obligations in the performance agreements of their senior executives.

Employment equity and the merit principle

Critics of employment equity continue to claim that the Act requires hiring designated group members regardless of merit. This argument fails to appreciate that there can be no merit when entire groups are systematically excluded from the workforce for reasons unrelated to competence. And in February 2002, the Public Service Commission refuted such criticism in a document entitled *Representativeness, an integral part of merit*. “There is a perception that employment equity programs do

not require the selection of the best qualified person for the position, and therefore, are not merit-based” states this document, but “all appointments made under the authority of employment equity programs (...) are based on individual or relative merit.” This timely intervention by the Public Service Commission should establish the groundrules in future debates on employment equity.

Equity initiatives at Indian and Northern Affairs Canada (INAC)

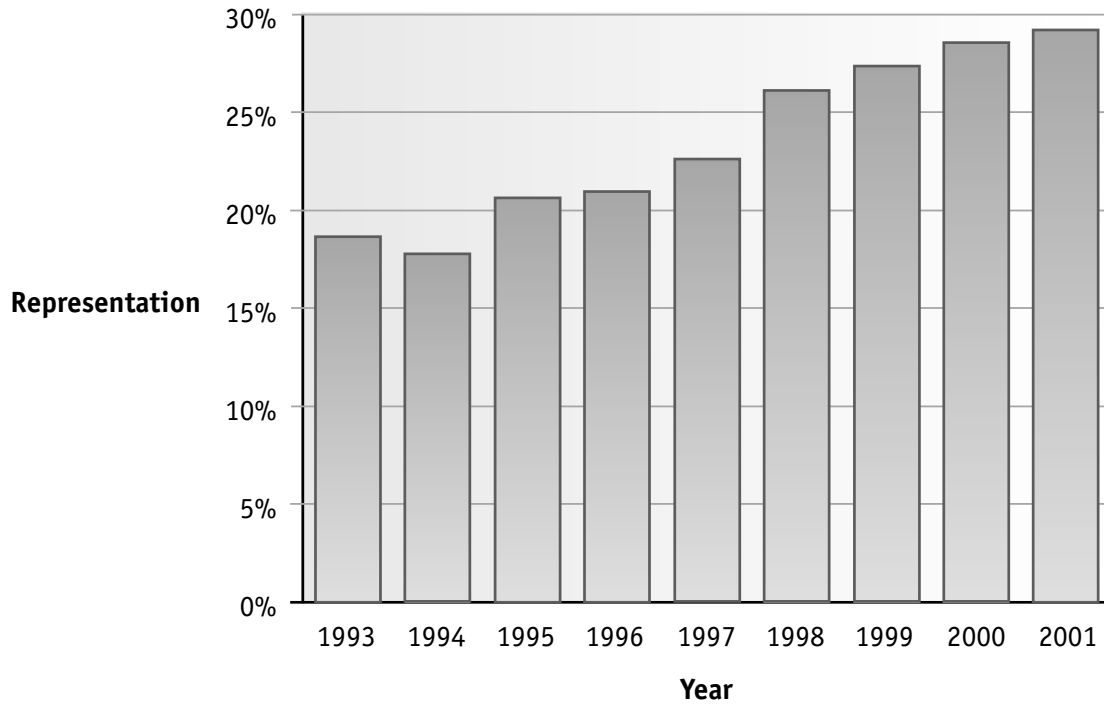
The Commission’s audit of Indian and Northern Affairs Canada (INAC) revealed many programs to assist designated group members, particularly Aboriginal peoples, to attain parity in the department. Among them:

- The department has developed a program for Aboriginal persons containing numerous positive measures. It has obtained staffing authority from the Public Service Commission and intends to maintain its program until 50% of its employees are Aboriginal.
- The Aboriginal University Recruitment Program aims at recruiting students with graduate or undergraduate degrees to fill positions, primarily in the professional and services groups in INAC, as well as in other government departments, agencies and Aboriginal organizations.
- A Kumik, or Elders' Lodge, is located in the lobby of INAC’s headquarters. It provides a space for Aboriginal employees that respects and recognizes their culture. Kumik also operates a program of visiting Elders from First Nations who come to the department to meet and counsel employees. This initiative has contributed to INAC attracting and retaining Aboriginal employees at all levels. The Kumik is managed by a joint committee of Aboriginal employees and departmental officials.
- The National Aboriginal Career Symposium provides more than 1000 Aboriginal youth from across the country an opportunity to explore career opportunities.
- New Horizons, a series of three career planning workshops, targets employees with disabilities and members of visible minority groups.

The audit confirmed that INAC is now in compliance with all the requirements of the Act and that special measures produce results. In 1993, Aboriginal peoples made up 18.7% of the department’s employees; by 2001, that proportion was 29.2%—a 64% increase in nine years (Figure 17).



Figure 17 Aboriginal Peoples' Representation within the Department of Indian and Northern Affairs Canada



A report on banking

From 1997 to 2002, the Commission audited or began audits of 16 of the 22 banks covered by the Act; six are now in compliance. The banking industry is one of the major sectors of the Canadian economy. It accounts for 20.7 % of the employees covered by the Act, with 22 employers representing 195,870 employees. The six largest banks employ 91.7% of all employees in this sector.

The Act first applied to banks in 1986, and since then, representation of designated groups in this industry has evolved in the following way:

- Women's overall representation in the banking sector decreased from 76.3% in 1987 to 71.0% in 2001, primarily because of their lower share of clerical jobs, but their representation in senior management increased from 2.9% in 1987 to 25.4% in 2001, higher than the 1996 Census availability of 20.8%. Women's share of middle management and professional positions was more than 50% in 2001.
- Visible minorities increased their representation in the banking sector from 9.5% in 1987 to 17.1% in 2001. Visible minorities hold 20.6% of all professional positions, and have increased their share of senior management positions to 6.1%.

-
- In 1987, Aboriginal peoples held 0.6% of all positions in the banking sector. Their share increased to 1.1% in 2001. Given that availability stands at 2.1%, they are still largely under-represented.
 - The representation of persons with disabilities was 1.8% in 1987 and increased to 2.0% in 2001. This is a marked under-representation, given that availability stands at 6.5%. Increases that have occurred for persons with disabilities in the past 15 years are largely due to increases in self-identification, as persons with disabilities have received extremely low shares of hires.


In summary, there has been significant progress for women and visible minorities, while Aboriginal peoples are still largely under-represented and persons with disabilities have registered almost no progress. The Commission's audits focus on banks identifying and removing barriers to the employment of Aboriginal peoples and persons with disabilities, and setting adequate hiring and promotion goals.

In 2002, the Commission found the BMO Financial Group and Scotiabank in compliance with the Act.

The BMO Financial Group achieved compliance during the first phase of the audit, without having to sign undertakings. Among its employment equity initiatives:

- BMO has established an accountability system. Progress toward goals is monitored on a quarterly basis by the Chairman and all BMO executives through management information reports. In 2000, the Chairman's Council on the Equitable Workplace established a link between achievement of results and executive compensation. BMO indicated that beginning in 2001, the bonus compensation of all executives would be adjusted by as much as plus or minus 10%, based on progress made toward achieving quantitative and qualitative employment equity goals. The audit confirmed that executives are held accountable for the achievement of their goals through annual performance appraisals.
- BMO's workforce analysis showed a significant under-representation of persons with disabilities, with the greatest gap occurring in clerical personnel. As a result, BMO established coordinators to help recruit persons with disabilities in Ontario and Quebec, its two largest regions, and to form a link with external organizations specializing in the placement of designated groups.
- BMO has Diversity Council Résumé Review Committees in its two largest divisions within retail banking. These committees educate recruiters and





other BMO employees about the systemic barriers faced by people with disabilities in the workplace and facilitate the inclusion of candidates with disabilities into the mainstream résumé review process.

- In 2002, BMO identified the need for an Adaptive Technologies Services Team with the goal of accommodating employees' technical needs and ensuring BMO's technical infrastructure is accessible to all its employees. This new department provides research, development, testing and implementation of adaptive technology for both employees and customers.
- BMO also has several Employee Affinity Groups, particularly the Blind and Visually Impaired, and the Deaf and Hard of Hearing Affinity Groups, which are involved in initiatives relating to the accommodation of employees.
- The representation of persons with disabilities at BMO has increased over the years, and it is now one of two large banks with a representation of persons with disabilities of over 3.0% (the other is HSBC Bank Canada).

The Commission's audit of Scotiabank found that had it also undertaken measures to implement the Act's requirements:

- Scotiabank has an Aboriginal network and recruitment practices targeting Aboriginal peoples. The bank maintains a dedicated recruiter for Aboriginal persons and once they have entered the bank's workforce, there are outreach activities and support mechanisms, such as an Aboriginal mentoring program. The success of the bank's efforts is reflected in the almost full representation of Aboriginal peoples in all occupational groups.
- In the fall of 2002, Scotiabank hosted its first EmployAbility Forum. The one-day forum provided an opportunity for Scotiabank recruiters to learn about ways to attract and retain persons with disabilities.
- Scotiabank also recently received an award from the departments of National Defence and Veterans Affairs for its sponsorship of the Transition Assistance Program (TAP). TAP provides employment opportunities to members of the Canadian Forces who have been medically discharged from service. The TAP sponsorship enables Scotiabank to link its career site with the TAP Web site.

Accessibility at Agriculture and Agri-Food Canada

Agriculture and Agri-Food Canada, currently under audit, is located in 2,459 buildings across Canada, worth an estimated \$2 billion. A decade ago, it conducted an audit of its sites and found that many of them were not universally accessible. In 2002, the department set up a Universal Access Program. Over the next three years, it intends to survey all its sites again, assess their accessibility, and invest \$3 million in making alterations to correct problems found. Sites to be renovated will be rated by priority, taking into account the needs of employees and clients.

The Aboriginal Canada Portal: a gateway to employment

Employers often do not know how to recruit members of designated groups. Launched in 2001, the Aboriginal Canada Portal, at www.aboriginalcanada.gc.ca, is designed to provide access for recruiting Aboriginal peoples. This gateway was created through a partnership between six national Aboriginal organizations and eight federal departments and provides Aboriginal on-line resources, contacts and information, as well as access to government programs and services in Canada. In total, the Portal has over 7,500 links and 15,000 pages of information for and about Aboriginal peoples in Canada. A section is devoted to employment, with links to hiring programs, apprenticeships, and learning opportunities provided by employers, many of whom are covered by the Act.


Accommodation of Aboriginal peoples at Natural Resources Canada

Natural Resources Canada has funded the establishment of a Circle of Nations Learning Centre at its Ottawa headquarters. The centre was created to provide a place of learning for Aboriginal employees to reconnect with their culture and heritage. An Aboriginal Elder is present weekly in the centre to provide guidance. The centre is a place for learning and exchange, and its interior reflects peace, serenity, and harmony, which are traditional to Aboriginal cultures.

Diversity training at the Canadian Space Agency

The Canadian Space Agency has provided training to its staff on diversity issues. It set up one-day training courses that dealt with the ethical basis and legal obligations surrounding employment equity. All managers were required to attend and were joined by the President of the Agency and Canada's first astronaut,





Mr. Marc Garneau. Half-day sessions were then given to employees. The Commission provided some of this training.

Provincial Airlines sets up a partnership with the Innu People and encourages women to work in trades and technology

Provincial Airlines, based in St. John's, Newfoundland, has a workforce of about 230 employees. One of its destinations is Labrador, home of several Innu communities. The company has recently entered into a limited partnership with the Innu Nation to form Airline Innu Mikun. As part of this agreement, Provincial Airlines is committed to employing as many Innu as possible at all levels of the workforce from labour to management. The partnership between Provincial Airlines and the Innu Nation created five permanent positions for Aboriginal persons in 2001.

The company also participates in an orientation program for Women in Trades & Technology. This six-month program is designed to introduce women into non-traditional occupations. In 2001, Provincial Airlines invited three women to work with the aircraft engineers to get hands-on experience in occupations the company offers.

Conclusion

These best practices show how employers can develop measures to fulfill their obligations under the Act and, in many cases, increase the representation of designated groups in their workforce.

Useful Links

Canadian Human Rights Commission

General information

www.chrc-ccdp.ca

Information on employment equity

www.chrc-ccdp.ca/ee/English/Javafile/index.htm

Annual reports and other publications

www.chrc-ccdp.ca/publications/index.asp?l=e

Other sources of information on the *Employment Equity Act*

Treasury Board Secretariat

http://www.tbs-sct.gc.ca/ee/index_e.asp

Human Resources Development Canada

http://info.load-otea.hrdc-drhc.gc.ca/workplace_equity/home.shtml

Public Service Commission

www.psc-cfp.gc.ca/centres/staff-ee_e.htm

Canadian Centre for Management Development

http://www.ccmd-ccg.gc.ca/diversity/vision_action/index_e.html

Links to other key sites

The University of Ottawa's Human Rights Research and Education Centre has Web site links with nearly 100 key organizations involved in human rights in Canada, at:

<http://www.uottawa.ca/hrrec/>

Human Resources Development Canada provides an inventory of best practices by employers subject to the *Employment Equity Act* at:

http://info.load-otea.hrdc-drhc.gc.ca/workplace_equity/ee_tools/



Appendix 1 — Tables on Employers and Employees Subject to the *Employment Equity Act* and Under Audit

Table 3 Total Number of Employers and Employees by Sector Subject to the *Employment Equity Act* and Under Audit

Sector	Sub Sector	Subject to the Act		Under Audit	
		Employers	Employees	Employers	Employees
Private Sector (as of December 31, 2001)	Banking	22	195,870	16	171,876
	Communications	88	215,330	47	176,128
	Transportation	246	178,121	90	104,726
	Other*	52	45,438	26	40,570
Federal Public Service (as of March 31, 2002)		68	157,511	65	156,070
Separate Federal Agencies (as of March 31, 2002)		19	154,809	9	64,688
TOTAL		495	947, 079	253	714,058

* The "Other" sub-sector includes such diverse industries as grain companies, uranium mines, nuclear power operations, credit corporations and museums.

Table 4 Public Sector Organizations Subject to the *Employment Equity Act* and Under Audit by Employer Size

Range	Public Service (as of March 2002)				Separate Agencies (as of March 2002)			
	Subject to the Act		Under Audit		Subject to the Act		Under Audit	
	Employers	Employees	Employers	Employees	Employers	Employees	Employers	Employees
10,000 plus	4	67,889	4	67,889	3	126,285	1	47,083
2,000 - 9,999	14	72,759	14	72,759	6	24,350	4	15,924
1,000 - 1,999	5	6,807	3	4,076	1	1,148	0	0
500 - 999*	6	4,379	7	5,639	1	627	1	627
100 - 499	20	5,138	20	5,138	8	2,399	3	1,054
less than 100	19	539	17	569	0	0	0	0
TOTAL	68	157,511	65	156,070	19	154,809	9	64,688

* The number of employers subject to the Act and under audit reflects changes in size of some public sector organizations since audits were begun.

Table 5 Private Sector Organizations Subject to the *Employment Equity Act* and Under Audit by Employer Size

Range	Subject to the Act (as of December 31, 2001)		Under Audit	
	Employers	Employees	Employers	Employees
10,000 plus*	14	366,110	14	323,041
2,000 - 9,999	32	116,431	27	91,549
1,000 - 1,999	37	51,472	28	39,748
500 - 999	54	38,488	25	18,096
100 - 499	262	61,565	83	20,768
less than 100	9	693	2	98
TOTAL	408	634,759	179	493,300

* The number of employers subject to the Act includes all employers as of December 31, 2001.



Table 6 Private Sector Organizations and Employees Subject to the *Employment Equity Act* by Province and Sector (as of December 31, 2001)

Province/ Territory	INDUSTRIAL SECTOR									
	Banking		Communications		Transportation		Other*		TOTAL	
	Employers	Employees	Employers	Employees	Employers	Employees	Employers	Employees	Employers	Employees
Newfoundland	5	1,466	6	3,060	8	2,175	1	113	20	6,814
Prince Edward Island	3	311	2	501	2	322	0	0	7	1,134
Nova Scotia	6	4,913	6	5,199	13	3,997	2	254	27	14,363
New Brunswick	6	3,418	9	6,055	12	3,616	2	223	29	13,312
Quebec	11	31,064	40	47,695	61	29,907	12	4,011	124	112,677
Ontario	16	106,563	48	88,855	104	61,033	32	26,877	200	283,328
Manitoba	6	5,152	11	7,210	19	11,286	12	3,933	48	27,581
Saskatchewan	5	4,102	7	3,049	12	3,430	8	3,905	32	14,486
Alberta	8	15,507	27	21,684	55	24,042	10	1,687	100	62,920
British Columbia	9	21,200	25	27,208	47	26,968	7	1,177	88	76,553
Northwest Territories	2	71	1	351	0	0	0	0	3	422
Yukon	2	80	1	214	2	506	0	0	5	800
Residual**		2,023		4,249		10,839		3,258		20,369
Canada***	22	195,870	88	215,330	246	178,121	52	45,438	408	634,759

Note:

- * The "other" sub-sector includes such diverse industries as grain companies, uranium mines, nuclear power operations, credit corporations and museums.
- ** Employees for whom no detailed reports were filed since employers only have to report in those regions where they have at least 100 employees.
- *** The number of employers reported by province and territory includes regional offices, which are not included in the "Canada" line.

Table 7 Private Sector Organizations and Employees Under Audit by Province and Sector (as of December 31, 2001)

Province/ Territory	INDUSTRIAL SECTOR									
	Banking		Communications		Transportation		Other*		TOTAL	
	Employers	Employees	Employers	Employees	Employers	Employees	Employers	Employees	Employers	Employees
Newfoundland	5	1,433	3	1,332	4	1,274	0	0	12	4,039
Prince Edward Island	3	293	1	185	1	190	0	0	5	668
Nova Scotia	6	4,994	6	2,791	9	1,763	2	1,888	23	11,436
New Brunswick	6	2,798	8	6,528	9	2,964	0	0	23	12,290
Quebec	12	30,793	22	38,811	29	15,195	5	1,885	68	86,684
Ontario	12	87,691	29	75,873	42	31,494	12	23,303	95	218,361
Manitoba	6	5,059	8	6,446	11	7,765	7	4,138	32	23,408
Saskatchewan	5	4,003	3	2,441	7	2,846	4	4,307	19	13,597
Alberta	8	13,960	16	16,314	23	13,965	4	1,982	51	46,221
British Columbia	10	19,754	16	22,276	22	20,201	6	1,677	54	63,908
Northwest Territories	1	17	1	329	2	591	0	0	4	937
Yukon	1	6	1	195	0	0	0	0	2	201
Residual**		1,075		2,607		6,128		1,740		11,550
Canada***	16	171,876	47	176,128	90	104,726	26	40,570	179	493,300

Note:

- * The "other" sub-sector includes such diverse industries as grain companies, uranium mines, nuclear power operations, credit corporations and museums.
- ** Employees for whom no detailed reports were filed since employers only have to report in those regions where they have at least 100 employees.
- *** The number of employers reported by province and territory includes regional offices, which are not included in the "Canada" line.



Appendix 2 — Lists of Employers Audited Under the *Employment Equity Act*

List of employers audited or being audited (253) — 1997–2002

* Audits with an asterisk have been cancelled because the employer is no longer subject to the *Employment Equity Act*

Banking (16)

Bank of America Canada
BMO Financial Group
BNP Paribas
Canadian Imperial Bank of Commerce
Canadian Western Bank
Citibank Canada Ltd.
Citizen's Bank of Canada
HSBC Bank Canada
IntesaBci (previously Banca Commerciale Italiana of Canada)
Laurentian Bank of Canada
National Bank of Canada
RBC Financial Group
Scotiabank
Société Générale (Canada)
Symcor Services Inc.
TD Bank Financial Group, The

Communications (47)

Amtelecom Group Inc.
AT&T Canada Long Distance Services Company
BC Tel. *
Bell Canada
Bell Mobility Radio Inc.
Bell Mobility Cellular Inc.
Bell Mobility Paging
Call-Net Enterprises (Sprint Canada)
Canada Post Corporation
Canadian Broadcasting Corporation
Canadian Satellite Communications Inc.
Canpar Transport Ltd.
CHUM Ltd.
Craig Broadcast Systems Inc.

DHL International Express Ltd.
Expertech Network Installation Inc.
Federal Express Canada Ltd.
Fundy Cable Ltd. *
Global Communications Ltd.
Manitoba Telecom Services Inc.
Maritime Broadcasting Systems Ltd.
Mayne Nickless Transport Inc.
Monarch Broadcasting Ltd. *
New Brunswick Telephone Co. Ltd. *
Newcap Broadcasting
Nortel Networks Ltd.
Northern Telephone Ltd.
Northwestel Inc.
Pelmorex Inc./The Weather Network
Pelmorex Radio Inc. *
Purolator Courier Ltd.
Rogers Broadcasting Ltd.
Rogers Cable TV Ltd.
Rogers Communications Inc.
Rogers Wireless Inc.
Standard Radio/Broadcasting Inc.
Swift Sure Courier Service Ltd. *
Teleglobe Canada Inc.
Telus Communications (Edmonton) Inc. *
Telus Communication
Telus Mobility Inc. *
Telus Quebec
United Parcel Service Canada Ltd.
Videon CableSystems Inc.
Vidéotron Ltée
WIC Radio Ltd. *
WIC Television Ltd. *

Transportation (90)

A.J. Bus Lines Ltd.
Adby Transport Ltd.
Air BC Ltd.
Air France
Air Inuit (1985) Ltd.
Air Transat AT Inc.
Algoma Central Corporation
Allied Systems (Canada) Company
American Airlines Inc.
Armour Transport Inc.
Arnold Bros. Transport Ltd.
*Arrow Transportation Systems**
Atlantic Turbines International Inc.
Bearskin Lake Air Service Ltd.
Bison Transport Inc.
*Blanchard Transport Ltd.**
Bradley Air Services Ltd. (First Air)
British Columbia Maritime Employers Association
Byers Transport Ltd.
Calgary Airport Authority, The
*Canada 3000 Airlines Ltd.**
*Canada 3000 Airport Services Ltd.**
Canada Maritime Agencies Ltd.
*Canada Steamship Lines Inc.**
*Canadian Airlines International Ltd.**
Canadian Freightways Eastern Ltd.
Canadian Freightways Ltd.
Canadian Helicopters Ltd.
Canadian National Railway Company
Canadian Pacific Railway Company
Cascade Aerospace Inc. (previously part of Conair Aviation)
Conair Aviation
Day & Ross Inc.
Delta Air Lines Inc.
Duke Energy Inc. (previously Westcoast Energy Inc.)
Edmonton Regional Airports Authority
Emery Air Freights Corporation
ERB Enterprises Inc.
Execaire Inc.
Fednav Ltd.
Greyhound Canada Transportation Corp.
Helijet Airways Inc.
*Household Movers & Shippers Ltd.**
Hudson General Aviation Services Inc.
*Imperial Oil Ltd.**
Innotech Aviation Ltd.
*Inter-Canadian (1991) Inc.**
*KLM Royal Dutch Airlines**
Laidlaw Carriers Inc.
*Laidlaw Transit Ltd.**
Marine Atlantic Inc.
Meyers Transport Ltd.
Midland Transport Ltd.
Municipal Tank Lines Ltd.
N.M. Paterson & Sons Ltd. (Marine Division)
N. Yanke Transfer Ltd.
Nav Canada
Nesel Fast Freight Inc.
Northern Transportation Company Ltd.
Ocean Services Ltd.
Ottawa Carleton Regional Transit Commission
Peace Bridge Brokerage Ltd.
Pole Star Transport Inc.
Provincial Airlines Ltd.
Reimer Express Lines Ltd.
Royal Aviation Inc.
Saskatchewan Transportation Company
Seaspan International Ltd.
*Sharp Bus Lines Ltd.**
SLH Transport Inc.
Société d'électrolyse et de chimie Alcan Ltée
Société de transport de l'Outaouais
St. Lawrence Seaway Management Corporation, The
Tippet-Richardson Ltd.
TNT Canada Inc.
Trans Canada Pipelines Ltd.
Trans Mountain Pipe Line Company Ltd.
Transport Cabano Kingsway Inc.
Transport Robert (1973) Ltée
Transport Thibodeau Inc.
TransX Ltd.
Trimac Transportation Management Ltd.
TST Solutions Inc.
Upper Lakes Group Inc.
Van-Kam Freightways Ltd.



Vancouver International Airport Authority
Via Rail Canada Inc.
Westcan Bulk Transport Ltd.
Williams Moving & Storage (BC) Ltd.
Worldwide Flight Services Ltd.

Other (26)

ADM Agri-Industries Ltd.
*Agpro Grain Ltd. Partnership**
Agricore United
Atomic Energy of Canada Ltd.
Brinks Canada Ltd.
Business Development Bank of Canada
Cameco Corporation
Canada Council for the Arts, The
Canada Science and Technology
Museum Corp.
Canadian Museum of Civilization
Canadian Press, The
Canadian Wheat Board
*Cape Breton Development Corporation**
Cargill Ltd.
Export Development Corporation
Farm Credit Corporation
Hudson Bay Mining and Smelting Co. Ltd.
N.M. Paterson & Sons Ltd. (Grain)
Ontario Power Generation
Pacific Elevators Ltd.
Robin Hood Multifoods Inc.
Saskatchewan Wheat Pool
Securicor Cash Services
Telus Management Services Inc.
*United Grain Growers Ltd.**
Verreault Navigation Inc.

Federal Departments and Agencies (65)

Agriculture and Agri-Food Canada
Atlantic Canada Opportunities Agency
Canada Economic Development for
Quebec Regions
Canada Industrial Relations Board
Canadian Artists and Producers Professional
Relations Tribunal
Canadian Centre for Management
Development

Canadian Dairy Commission
Canadian Grain Commission
Canadian Heritage
Canadian Human Rights Commission
Canadian Intergovernmental Conference
Secretariat
Canadian International Development Agency
Canadian International Trade Tribunal
Canadian Radio-Television and
Telecommunications Commission
Canadian Space Agency
Canadian Transportation Agency
Citizenship and Immigration Canada
Civil Aviation Tribunal of Canada
Communication Canada
Correctional Service Canada
Copyright Board of Canada
Environment Canada
Finance Canada
Fisheries and Oceans
Foreign Affairs and International Trade
Hazardous Materials Information Review
Commission
Health Canada
Human Resources Development Canada
Immigration and Refugee Board
Indian and Northern Affairs
Industry Canada
International Joint Commission
Justice Canada
Law Commission of Canada
NAFTA - Secretariat, Canadian Section
National Archives of Canada
National Defence (Civilian Staff)
National Farm Products Council
National Library of Canada
National Parole Board
Natural Resources Canada
Office of the Chief Electoral Officer
Office of the Commissioner for Federal
Judicial Affairs
Office of the Commissioner of Official
Languages
Office of the Registrar of the Supreme Court
of Canada

Office of the Secretary to the
Governor General
Office of the Information Commissioner
of Canada
Passport Office
Patented Medicine Prices Review Board
Privacy Commissioner of Canada
Privy Council Office
Public Service Commission of Canada
Public Works and Government Services
Canada
Registry of Competition Tribunal
Registry of the Federal Court of Canada
Royal Canadian Mounted Police
(Civilian Staff)
Solicitor General Canada
Statistics Canada
Status of Women Canada
Tax Court of Canada

Transport Canada
Transportation Safety Board of Canada
Treasury Board of Canada, Secretariat
Veterans Affairs Canada
Western Economic Diversification Canada

Separate Employers in the Public Sector (9)

Canadian Customs and Revenue Agency
Canadian Food Inspection Agency
Canadian Forces Personnel Support Agency
Canadian Nuclear Safety Commission
National Film Board of Canada
National Research Council Canada
Natural Sciences and Engineering Research
Council of Canada
Office of the Auditor General of Canada
Parks Canada Agency

Sector	Total
Banking	16
Communications	47
Transportation	90
Other	26
Federal Departments and Agencies	65
Separate Employers in the Public Sector	9
Total Audits	253



List of employers in compliance (105) — 1997–2002

Bold denotes employers in compliance at first phase of the audit.

Banking (6)

BMO Financial Group

Citibank Canada Ltd.
IntesaBci (Banca Commerciale Italiana
of Canada)
HSBC Bank Canada
Scotiabank
Société Générale (Canada)

Communications (16)

Bell Mobilité Radio Inc.
Bell Mobility Cellular Inc.
Bell Mobility Paging
Call Net Enterprises (Sprint Canada)
Canadian Satellite Communications Inc.
Craig Broadcast Systems Inc.
DHL International Express Ltd.
Global Communications Ltd.
Newcap Broadcasting
Nortel Networks Ltd.
Northern Telephone Ltd.
Pelmorex Inc./The Weather Network
Standard Radio/Broadcasting Inc.
Telus Communication
Telus Quebec
Videon CableSystems Inc.

Transportation (43)

A.J. Bus Lines Ltd.

Air France
Air Inuit (1985) Ltd.
Algoma Central Corporation
American Airlines Inc.
Arnold Bros. Transport Ltd.
Bearskin Lake Air Service Ltd.
Calgary Airport Authority
Canada Maritime Agencies Ltd.
Canadian Freightways Eastern Ltd.
Canadian Freightways Ltd.
Canadian Helicopters Ltd.
Cascade Aerospace

Conair Aviation
Day & Ross Inc.
Edmonton Regional Airports Authority
Emery Air Freight Corporation
Execaire Inc.
Fednav Ltd.
Helijet Airways Inc.
Innotech Aviation Ltd.
Meyers Transport Ltd.
Midland Transport Ltd.
N. M. Paterson and Sons Ltd.
(Marine Division)
N. Yanke Transfer Ltd.
Nesel Fast Freight Inc.
Northern Transportation Company Ltd.
Ocean Services Ltd.
Peace Bridge Brokerage Ltd.
Provincial Airlines Ltd.
Seaspan International Ltd.
Société d'électrolyse et de chimie Alcan Ltée
Tippet-Richardson Ltd.
TNT Canada Inc.
Trans Mountain Pipe Line Company Ltd.
Transport Cabano Kingsway Inc.
Transport Robert Ltd.
Transport Thibodeau Inc.
TransX Ltd.
Trimac Transportation Management Ltd.
Van-Kam Freightways Ltd.
Vancouver International Airport Authority
Williams Moving and Storage (BC) Ltd.

Other (10)

Atomic Energy of Canada Ltd.

Cameco Corporation
Canadian Press, The
Canada Council for the Arts
Export Development Corporation
Hudson Bay Mining and Smelting Co. Ltd.
Pacific Elevators Ltd.

Saskatchewan Wheat Pool
Securicor Cash Services Ltd.
Verreault Navigation Inc.

Federal Departments and Agencies (28)

Atlantic Canada Opportunities Agency
Canadian Human Rights Commission
Canadian International Development Agency
Canadian Radio-Television and
Telecommunications Commission
Canadian Space Agency

Canadian Transportation Agency

Canadian Heritage

Correctional Service Canada
Finance Canada
Foreign Affairs and International Trade
Human Resources Development Canada
Immigration and Refugee Board
Indian and Northern Affairs
Justice Canada

National Archives of Canada

National Parole Board

Natural Resources Canada
Office of the Chief Electoral Officer
Office of the Commissioner of Official
Languages

**Office of the Registrar of the
Supreme Court of Canada**

Office of the Secretary to the Governor
General

Privy Council Office of Canada

**Public Works and Government Services
Canada**

Statistics Canada

Status of Women Canada

Transportation Safety Board of Canada
Treasury Board of Canada, Secretariat
Western Economic Diversification Canada

**Separate Employers in the
Public Sector (2)**

National Film Board
Natural Sciences & Engineering
Research Council



Directions (23)

Banking (2)

IntesaBci (Banca Commerciale Italiana
of Canada) (*now in compliance*)
Laurentian Bank of Canada

Communications (3)

AT&T Canada
DHL International Express Ltd.
(*now in compliance*)
Fundy Cable Ltd. (*direction cancelled,
since this employer is no longer subject
to the Act*)

Transportation (13)

Adby Transport Ltd.
Air France (*now in compliance*)
Allied Systems (Canada) Company
American Airlines Inc. (*now in compliance*)
Bradley Air Services Ltd. (First Air)
Byers Transport Ltd. (audit held in abeyance)
Conair Aviation (*now in compliance*)
Greyhound Canada Transportation Corp.
Municipal Tank Lines Ltd.
Nesel Fast Freight Inc. (*now in compliance*)
Trimac Transportation Management Ltd.
(*now in compliance*)
Van-Kam Freightways Ltd.
(*now in compliance*)
Westcan Bulk Transport Ltd.

Other (1)

N.M. Paterson & Sons Ltd. (Grain)

Federal Departments and Agencies (4)

Canadian Grain Commission
Environment Canada
National Archives of Canada
(*now in compliance*)
Natural Resources Canada
(*now in compliance*)

**Employers who requested that the Tribunal
review the direction issued to them by the
Commission (4)**

Banking (1)

Laurentian Bank of Canada (*the Commission
withdrew the direction, and the Tribunal
dismissed the employer's motion*)

Communications (1)

DHL International Express (*referral withdrawn
by the employer, who is now in compliance*)

Federal Departments and Agencies (2)

Environment Canada (*referral withdrawn by
the employer*)
Natural Resources Canada (*referral withdrawn
by the employer, who is now in compliance*)

**Employers referred to Tribunal by the
Commission for failure to comply with the
direction issued (4)**

Transportation (2)

Conair Aviation (*referral withdrawn since
this employer is now in compliance*)
Nesel Fast Freight (*referral withdrawn since
this employer is now in compliance*)

Other (1)

N. M. Paterson & Sons (Grain)

Federal Departments and Agencies (1)

Natural Resources Canada (*referral withdrawn
since this employer is now in compliance*)

Appendix 3 — The *Employment Equity Act* and the Commission's Compliance Audits: an Overview

What is the Employment Equity Act?

- Employment equity means fairness in the workplace. No one should face employment barriers simply by virtue of being a woman, a person with a disability, an Aboriginal person, or a member of a visible minority. Yet, the reality is that qualified individuals from these groups have traditionally been hired, employed, and promoted at rates well below their availability in the labour market. The *Employment Equity Act* aims at ensuring that members of these four designated groups are treated equitably.
- The Act applies to the federal public service, as well as federal Crown corporations and federally-regulated firms employing 100 or more people. These include the post office, airlines, railroads, interprovincial bus and trucking companies, banks and telephone and broadcasting companies.
- The Canadian Human Rights Commission is responsible for ensuring that employers comply with the Act. It does so by conducting compliance audits.

What does compliance with the Act mean?

- First, employers can be found in compliance with the Act if their workforce is fully representative. In such cases—and these cases are rare—the Commission ensures that employers put in place a few simple measures required by the Act, mainly to ensure that their workforce continues to be fully representative.
- Second, employers who do not have a fully representative workforce—and this is the majority—can be found in compliance if they have successfully implemented the measures required by the Act to find the causes of under-representation, and have established an employment equity plan designed to correct employment practices, provide accommodation, take positive measures, set goals, and inform and consult with employees and union representatives. The Act also requires that they make reasonable efforts to implement their plan, monitor its effectiveness, and review it regularly.





What happens in an initial audit?

- The employer receives an audit notification letter and is then contacted by a compliance review officer. The officer proposes an audit plan and sends a questionnaire to the employer.
- Using the questionnaire's results, the officer completes a "desk audit" that assesses compliance against the Act's 12 requirements. The officer then visits the workplace to verify the findings and review the preliminary results with the employer.
- If the employer is in compliance, a final audit report is completed. If not, the officer drafts an interim report, indicating the undertakings required for compliance and time limits of up to 12 months for their completion.
- The officer and the employer then negotiate the undertakings and time limits in the report. Once an agreement has been reached, the employer signs the report.

What happens in a follow-up audit?

- The employer submits a progress report and a follow-up audit is conducted to assess whether or not the undertakings have been fulfilled.
- If the employer is then in compliance, a final report is issued.

What happens after compliance?

- Once an employer is found in compliance, the Commission monitors the progress of hiring, promotion and representation. If the employer does not achieve sufficient progress, the Act allows the Commission to conduct another audit—or *implementation audit*—and require new undertakings. The Act also allows the Commission to take enforcement measures if employers do not implement their undertakings.

When is a direction issued?

- If an employer refuses to agree to undertakings, has not completed the work required by undertakings, or does not cooperate with the auditor, the Commission may issue a "direction" to the employer. A direction stipulates the work required and the time limit for its completion. The employer can review the recommendation for a direction and may submit comments to the Commissioners before they decide whether or not to issue it.

A follow-up audit after the time limit elapses will assess whether or not the employer has fulfilled the direction.

What is the role of the Employment Equity Review Tribunal?

- Once the Commission has issued a direction, the employer may request a tribunal to reconsider it. The Commission may also ask a tribunal to issue an order when a direction has not been fulfilled.

What is the role of the Federal Court of Canada?

- The Court may carry out a judicial review of a decision of the Commission or a tribunal.
- A tribunal order may be registered with the Federal Court, thus giving it the force of a court order.
- After a tribunal order or a Federal Court endorsement, the Commission may undertake an audit to ensure compliance.

