

Summative Evaluation of the Legislated Employment Equity Program

Final Report

*Program Evaluation
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Acronyms

CHRC	Canadian Human Rights Commission
EE	Employment Equity
FCP	Federal Contractors Program
HRDC	HUMAN RESOURCES DEVELOPMENT CANADA
HRSDC	HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA
LEEP	Legislated Employment Equity Program
TBS	Treasury Board Secretariat
WEO	Workplace Equity Officer
EECRS	Employment Equity Computerized Reporting System
NHQ	National Headquarters
RHQ	Regional Headquarters
PwC	PricewaterhouseCoopers

Executive Summary

PROGRAM BACKGROUND

Following a number of efforts spanning several decades to promote workplace equity, the first *Employment Equity Act (EE ACT)* in Canada came into effect in 1986. While the *EE ACT* was amended in 1995, its main purpose has remained unchanged and is:

“...to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and, in the fulfillment of that goal, to correct the conditions of disadvantage in employment experienced by women, Aboriginal peoples, persons with disabilities and members of visible minorities by giving effect to the principle that employment equity means more than treating persons the same way but also requires special measures and the accommodations of differences.”

The Legislated Employment Equity Program (LEEP) is one of several mandatory federal programs under the *Employment Equity Act*. Its goal is to ensure that federally regulated private sector employers support a workforce that mirrors the demographic representation of the general labour force in Canada. Specifically, LEEP’s mandate is to promote, support and enhance employment equity for the four designated groups (women, Aboriginal peoples, persons with disabilities, and members of visible minorities) in federally regulated firms and Crown Corporations with 100 or more employees.

LEEP currently includes 420 private sector employers and 31 Crown Corporations with a combined workforce of over 600,000 employees. Employers covered under LEEP are found, for example, in the banking, transportation and communications industry sectors. The number of private sector employers covered under LEEP has increased by 25% since 1999. In addition, it is estimated that there may be another 250 employers in emerging industries such as Internet Service Providers, who are required to report under the *Act* but are not yet registered with LEEP.

The LEEP is a collaborative initiative that involves Human Resources Development Canada (HRDC) national headquarters (NHQ) and regional Labour staff, the Canadian Human Rights Commission (CHRC), employers and workers’ representatives.

The main responsibilities of LEEP include: identification and registration of employers covered by the *Act*; annual reporting to Parliament on employers’ progress; promotion and public education; provision of labour market data (availability statistics); provision of support tools and consultation services to employers; recognizing achievement (merit awards); and applying penalties where warranted.

Employers, for their part, are responsible to: prepare an annual employment equity plan; conduct an analysis of their workforce to monitor representation; identify and eliminate barriers to employment; and institute positive policies and practices to achieve representation.

The *Act* also requires that the CHRC conduct on-site workplace equity audits of LEEP employers to ensure that these employers are meeting their obligations under the *Act*.

PURPOSE OF THIS EVALUATION

The objectives of the LEEP evaluation are to: (i) examine issues related to the continuing rationale for the Program and its implementation and operations; and (ii) measure the effectiveness of the Program over time in increasing the representation of employees belonging to the four designated groups.

The overall purpose of this evaluation is to assess achievement of the objectives of the LEEP program as a component of the *Employment Equity Act*.

The evaluation covers the entire period of the Program's operation beginning with 1987 (the first year for which data is available), and addresses the relevance, effectiveness and efficiency, and impact of LEEP: (i) **Relevance:** the evaluation examined whether LEEP is still relevant to bring about greater fairness and equity in the workplace and whether its mandate and objectives are still valid; (ii) **Effectiveness and Efficiency:** program delivery and implementation were examined through questions such as whether the program's structure, resource distribution, activities and tools are useful, sufficient and adequate; and (iii) **Results:** the evaluation assessed the results, impacts and effects that may be attributable to LEEP using both quantitative and qualitative data.

EVALUATION METHODOLOGY

This evaluation of LEEP comprises both quantitative and qualitative methods.

The quantitative component includes: analyses of the Program's administrative database, employers' reports, information from LEEP and CHRC annual reports; econometric analysis to determine the factors accounting for the changes in representation of the designated groups over time; and data from two surveys – one of LEEP covered employers, and another of comparable employers not covered under LEEP.

The qualitative component includes information gathered from: a document review which provided the qualitative context, history and descriptions of relevant roles and accountabilities; interviews with program officials, employers, provincial employment equity representatives, academics, and union representatives; and two focus groups – one with CHRC compliance officers, and the other with individuals from organizations representing designated groups.

SUMMARY OF EVALUATION FINDINGS

The following provides an overview of the key findings according to the three main evaluation issues: relevance; delivery and implementation; and results, impacts and effects.

Relevance of LEEP

There continues to be a need for LEEP

The available evidence points to the conclusion that there continues to be a need for a legislated employment equity program. The *Employment Equity Act* is still needed and relevant as an intervention mechanism to institute fairness and equity in the workplace.

While LEEP firms have made substantial progress since the *EE Act* first came into effect in 1986, these employers still have a distance to go to achieve the representation rates of the designated groups found in the overall labour market. In light of Canada's current and anticipated demographic conditions, and the longer-term projections in economic growth and trade-related developments (which can often favour a more diverse workforce), the program rationale for the mandate and objectives of LEEP remains valid.

A shrinking labour pool (due mainly to demographic factors) means that breaking down artificial employment barriers to mobilize existing labour supplies, through special measures, will remain and will continue to grow in importance in order to meet the economy's skills needs.

Reducing current employment barriers is important in terms of increasing efficient allocation of labour in the economy, reducing dependence on income support payments and promoting social equity. For example, one in nine Canadians is a member of a visible minority group. Canada receives more than 250,000 new immigrants on an annual basis. Aboriginal peoples are experiencing a rapid growth in working age population. In addition, there are increasing numbers of persons with disabilities (mainly a function of an ageing population).

LEEP has maintained a sound focus on reporting

The evaluation findings indicate that LEEP has maintained a sound focus on the reporting aspect of its mandate under the *Act*. Reporting and maintaining records on employment equity is critical for tracking progress. While it has experienced a reduction in resources over the years, LEEP has maintained the integrity of its reporting process by implementing measures and systems that make the process more efficient. However, LEEP's endeavors in providing employer support, education, and promotional activities have been less successful.

LEEP employers' EE activities tend to be compliance related

The evaluation found that LEEP employers have implemented compliance related EE initiatives to a greater extent than those employers not covered by LEEP. LEEP firms focus on maintaining employment equity records, reviewing HR policies, conducting workforce analyses, monitoring employment equity plans, providing EE information and developing measures to eliminate workplace barriers. While a significant level of effort is directed toward those activities that support compliance with the reporting requirements of LEEP, survey responses indicated that developmental initiatives such as

skill specific training programs were undertaken to a lesser degree by LEEP employers than by those firms not covered by LEEP.

According to survey results and interviews, most employers view the reporting process as burdensome. Educating employers to practice employment equity because of the diversity it brings to the workplace, as well as other possible benefits (e.g. increased resource pool, heightened customer services, and more open, accepting working environment) might engage employers to a greater extent. Encouraging innovation, sharing lessons learned and establishing good practices with employers are approaches that can support changes in the workforce.

Delivery and Implementation of LEEP

Structural issues within the Regions as well as between the Regions and NHQ impede the delivery of the Program

The LEEP staff complement in the Labour Program at NHQ has decreased since 1995. The evaluation determined that the LEEP staff remaining at NHQ have been able to carry out the required activities by increasing the effectiveness and efficiency of the resources at their disposal. Regional staff proportion their time between several programs: LEEP, Pay Equity and the Federal Contractors Program. The evaluation findings further suggest that this has had a negative impact on the capacity of LEEP regional staff to be proactive, for example, in their communication and education efforts with employers.

Under the Program's present structure, NHQ staff identify and contact employers who are new to the Program, compile employers' reports and produce the Annual Reports, conduct research and develop tools for regional LEEP staff and employers. Regional staff work with employers to implement the Program. The role of the regional offices is central to the delivery of LEEP. The evaluation suggests that the reporting structures (chain of command) impact on communications between NHQ and the regional staff who deliver the Program would benefit from being reviewed. Regional staff do not report to the NHQ Program staff but to their own regional managers or Assistant Deputy Ministers. In addition, delays in response time for communications between NHQ and the Regions can hamper front-line service delivery.

Communication between LEEP and CHRC needs to be improved

The evaluation also suggests that communication and cooperation can be enhanced between LEEP and CHRC staff. Greater communications between these two bodies is particularly important in ensuring that employers receive consistent information. There is evidence to suggest that employers believe they have received all the information they need to complete their reports and comply with the *Act* upon participating in workshops with LEEP representatives. However, CHRC's audits have found that employers do not always have all the required information, or necessarily the right information.

LEEP supports and tools for employers and staff are useful

The evaluation results indicate that the Program's supports and tools for both staff and employers are useful. HRDC's Website is perceived to be a highly useful support tool for LEEP staff, as well as for employers. However, some difficulties in accessing the Website were reported by staff, employers and others, due possibly to limited systems resources and the site being under construction (mainly as a result of updates for the site to conform to Government-On-Line goals and the Common Look and Feel). Other tools found highly useful by LEEP staff were the operational policies, the *Act*, the training kit and the tools for employers, especially the Employment Equity Computerized Reporting System (EECRS).

The Annual Reports are regarded as highly useful by LEEP staff, employers and others. Some employers, and especially senior management, look at the ratings to see where their company stands in relation to the competition. Others look at the ratings to get an idea of what to focus on in the following year. However, the employer rating system published in the Annual Report is not always well understood by employers. For example, some employers did not understand why the rating is not directly linked to the audit criteria of CHRC. LEEP has attempted to address this in the Annual Report by describing the methodology used for arriving at a rating.

The division between HRDC's role of education and that of compliance audits by CHRC is one of the structural strengths of the *Act*. However, LEEP regional staff also view the *Act* as not always clear and the *Regulations* too lengthy and open to interpretation. This may have an impact on how the Program is delivered and implemented. For example, it becomes a challenge for staff to assist employers and monitor their compliance with the *Act*, when there is a lack of clear understanding of the expected representation of designated groups, timelines for compliance, and when to use the prescribed penalties.

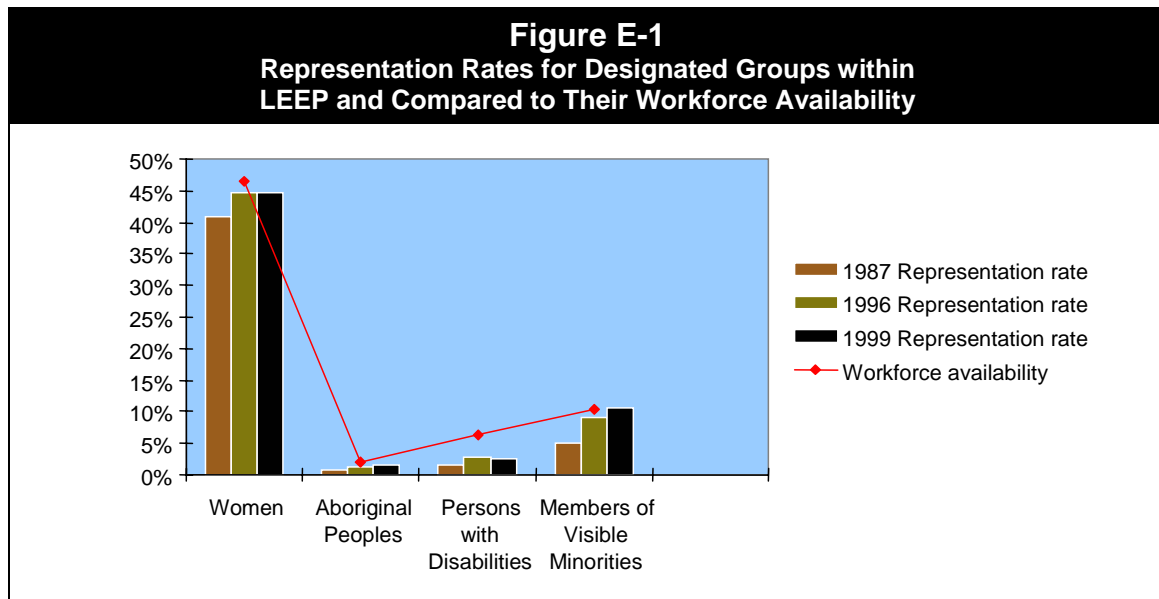
Results, Impacts and Effects of LEEP

LEEP appears to have had a positive impact on promoting, supporting and enhancing employment equity

The results of this evaluation suggest that LEEP has had a positive impact on promoting, supporting and enhancing workplace equity in firms covered under its terms. The higher representation rates for designated group members among firms that have participated in the Program since the very beginning are signs that these firms have had greater results than they would have if they were outside the Program. The evaluation evidence suggests that the Program has helped employers identify and reduce employment barriers.

However, the representation rates of designated groups in firms covered under LEEP have not yet matched their overall workforce availability rates (see Figure E-1 below). In addition, not all designated groups have fared equally well. Of the four designated groups, Aboriginal peoples and persons with disabilities have the farthest to go to achieve equity, although Aboriginal peoples have progressed significantly over time. Visible minorities achieved a representation rate that was higher than the representation rate in

the general workforce in 1996. There was a slight growth in the representation rate of persons with disabilities in LEEP firms, although they continue to have a low representation. There was also a slight growth in the representation rate of women.



Not all designated groups are promoted or compensated to the same degree

Members of different designated groups have been promoted to varying degrees. Women and visible minorities accounted for a greater share of promotions than their representation rate in the LEEP workforce throughout the entire period. Aboriginal peoples were promoted in approximately the same proportion as their representation rate in the LEEP workforce, and persons with disabilities achieved a consistently lower rate of total promotions than their representation rate in the LEEP workforce. In general, evidence pointed to larger firms promoting a higher proportion of their employees annually than smaller firms. Larger firms promoted proportionally fewer persons with disabilities than other employees, while members of the other designated groups were promoted in about the same proportion as that of the average employee.

Members of each of the designated groups earned a lower average salary than workers not belonging to that designated group. However, the average salary improved relative to the comparison group for two of the four designated groups throughout the period. The wage gap narrowed for women and visible minorities, but widened slightly for Aboriginal peoples and persons with disabilities.

Not all firms covered under LEEP have an employment equity plan in place

Of the firms covered by LEEP that participated in a survey for this evaluation, 44% do not have an employment equity plan. An employment equity plan is a requirement of the *Act* and is a fundamental tool for employers to improve the representation rates of the designated groups within their organization and to foster an equitable workplace. One of

LEEP's responsibilities (at NHQ and in the Regions) is to ensure employers have all the information they need to develop an employment equity plan.

LEEP and the *Act* have had both positive and negative unintended effects

LEEP and the *Act* have had a number of positive effects that were not intended. Through the mandatory reporting by employers and the compiled Annual Report tabled in Parliament by the Minister of Labour, employment equity initiatives lend themselves to greater public scrutiny and accountability. Increased public awareness of employment equity and related issues is an important outcome of the Legislated Employment Equity Program. LEEP's efforts have created a common language around employment equity. Furthermore, Canada is noted for its employment equity efforts both domestically and internationally. LEEP serves as a model for Canadian provinces as well as other countries (e.g. South Africa).

The Program has also produced a few unintended negative effects. These include claims of reverse discrimination, as there is a perception that designated group members have an unfair advantage when it comes to hiring, promotions and salaries. Some members of designated groups claim that their contribution is not valued and that promotions are not earned but given because they are members of a designated group. There is also fear that identifying oneself as a designated group member may hurt future career prospects.

In summary, evaluation findings to date provide evidence that LEEP has benefited the designated groups and many firms over the time it has been in operation. With additional activities in education and promotion of employment equity, it has the potential to have even greater impacts in the future.

Management Response

The Labour Standards and Workplace Equity Directorate is pleased with the outcome of the evaluation of the Legislated Employment Equity Program (LEEP), and would like to thank all those who participated in this evaluation. The evaluation confirmed the many strengths and positive aspects of LEEP, particularly its contribution to the advancement of hiring and promotion of the four designated groups in the workforce under the *Employment Equity Act*. Through its many activities, LEEP has made significant progress since 1987 with respect to the implementation of the *Act*. The positive features of the Program were also confirmed in the concurrent statutory review of the *Employment Equity Act* by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, which released its report on June 14, 2002.

The Human Resources Development Canada (HRDC) evaluation findings showed that LEEP continues to be relevant in 2002 and beyond as the designated groups are still under-represented in LEEP firms compared with their general labour force participation. Further, the evaluation found that LEEP maintained a sound focus on reporting, and that it achieved employer compliance with the reporting obligation. More work has to be done to close the under-representation gaps. LEEP has played a unique role in national employment equity practice and affirmed the importance of a continued federal presence in supporting employers and stakeholders in this area. The evaluation report suggests that LEEP has had a positive impact on promoting, supporting, and enhancing employment equity. There were a number of areas identified in the evaluation report that warrant attention and action from the program area, so that the design, delivery and effectiveness of the Program could be enhanced. We would like to take this opportunity to respond to some of the key issues raised in the evaluation report.

PROGRAM RELEVANCE

The evaluation concluded that there continues to be a need for LEEP. This was also the conclusion of the Parliamentary committee reviewing the *Act*. Witnesses appearing before the Parliamentary committee in 2002 and many participants in Labour's consultation process¹ that preceded the Parliamentary review also agreed that employment equity is relevant, needed, and important for a healthy society and economy.

¹ (These consultations were conducted by Labour in 2001 and attended by 250 participants from across Canada, representing employees, unions, employers, academics, and other stakeholders).

The evaluation further notes that LEEP has maintained a sound focus on reporting, and to a lesser degree, on providing employer support, education, and promotional activities. Despite its limited resources, LEEP was able not only to increase coverage of firms by one-third (from 330 to 450 employers in two years), but also to: automate many processes; introduce a reporting software; develop manuals; introduce an education project; and further implement other aspects of the *Act* (such as the penalty structure for failure to report, and the set of exemptions from reporting), and to be a model for equity programs in the country and around the world.

We do agree that education should play a bigger role in LEEP. This view is echoed by the Parliamentary report that contained 29 recommendations. Education was so important in the Parliamentary report that it was made the subject of the second recommendation, and is considered as a major strategy in the government response. On the other hand, although not well-resourced for education activities, LEEP contributes a lot more than enforcing compliance with the *Act*. The Program is supporting and educating employers and regional staff, doing research, producing the Minister's consolidated Annual Report that contains many educational features, providing Internet documents and participating in public fora.

PROGRAM DESIGN AND DELIVERY

The evaluation results indicate that resources and structural issues within the Regions, as well as between the Regions and National Headquarters (NHQ), may prevent effective delivery of the Program.

It is possible that the resource issue will be addressed through the response to the Report of the Parliamentary Committee, and at the same time Labour Program and Regions are taking steps to strengthen functional direction and support. LEEP is committed to improving the functional relationship through a series of policy/program related activities. For example, over the past few months, specific directives and guidance were provided to regional staff.

The evaluation results show that communications between LEEP and the Canadian Human Rights Commission (the CHRC) need to be improved. This observation is in line with the Parliamentary recommendation that national stakeholders, including HRDC, CHRC, TBS and others, should coordinate their activities and work closely in the implementation of employment equity. LEEP provides CHRC with up to date information about employers, including an entire database every year so that the Commission can discharge its audit activities. Frequent meetings take place to review common issues, and a joint approach is being taken to look into the Parliamentary recommendations to ensure consistent service delivery.

The evaluation found LEEP support and tools for employers and regional staff and others to be useful, particularly the Minister's Annual Report. Over the past three years, LEEP was instrumental in creating and providing a series of tools and support to its clients, including a computerized reporting system (EECRS) and hotline, a package of manuals and guides, an education project every fall, an employer reporting violations mechanism, an employer reporting exemption mechanism, and full documentation and Web-accessible databases.

PROGRAM EFFECTIVENESS

The evaluation report suggests that LEEP appears to have had a positive impact on promoting, supporting and enhancing employment equity. Over the past 14 years, LEEP had an impact on the progress achieved by women, Aboriginal Peoples, visible minorities, and persons with disabilities in the long-term covered firms. Representation in the workforce under the *Act* more than doubled for visible minorities and Aboriginal Peoples. It increased significantly for women, but more has to be done for persons with disabilities.

Witnesses appearing before the Parliamentary committee reviewing the *Employment Equity Act* (e.g., the Canadian Bankers Association and the Federal Employers in Transportation and Communication, two umbrella organizations who jointly account for 90% of all employees under LEEP) expressed appreciation for the economic benefits of employment equity, and supported the continuation of the Program. Every year, employers submit narrative reports that contain statements of the benefits that accrued to the company due to the good practices of employment equity, such as better human resources management and improved morale, good business practices, attracting better talent and skills, developing for the first time strategic HR information systems, etc.

The evaluation report concluded that not all designated groups are promoted or compensated to the same degree. Promotion and compensation are activities conducted independently by employers, where LEEP has no direct control. However, LEEP will continue to educate and encourage employers to promote designated groups and to implement steps that would lead to narrow the wage gaps.

The evaluation found that not all firms covered under LEEP have an equity plan in place. We would like to point out that not all employers need to have an equity plan at a given point of time. Only employers who have completed several steps of equity that may take two to three years, are able to produce an equity plan (such steps include submitting a first report by gender, establishing an Employment Equity (EE) committee, conducting an employee survey, producing a second year report by the four designated groups, performing a workforce analysis, and conducting an employment systems review). While LEEP educates and encourages employers to fulfill their obligations under the *Act*, it is the duty of the CHRC to verify that employers have met all their obligations.

The evaluation report concluded that LEEP and the *Act* have had unintended positive and negative effects.

We agree that LEEP and the *Act* have had unintended positive effects, such as improved public scrutiny and parliamentary accountability, a common language around employment equity, international leadership in the field, more serious HR planning by employers. However, we do not agree that there are unintended negative effects of the *Employment Equity Act* (such as “reverse discrimination” and “unmerited hiring”). While the media do bring forward such claims, the *Act* clearly supports hiring based on skills and merit, and does not call for hiring quotas. LEEP management will make sure that education and communication efforts are conscious of these unintended effects.

FOLLOW-UP ACTIONS

- The representation of persons with disabilities and Aboriginal Peoples continues to lag behind their labour market availability. Labour Program is reviewing the situation of these two groups in the light of the LEEP evaluation findings and the Parliamentary recommendations. Workplace strategies may be considered to accelerate the progress of these two groups.
- The need for more education came across as an important element not only in the evaluation report, but also in the Parliamentary Report and in Labour Program's own pre-review consultations process. Consequently, a special *Workplace Equity Strategy for Education and Communication* is being considered. LEEP will continue to educate employers about their reporting responsibilities.
- In addition, the education activities geared to HRDC regional officers and to employers will be streamlined to have precise activities throughout the year, for example, educating new employers and second year employers in the fall.
- An *annual cycle* document will be created and shared with the regional offices. The document will contain year-long activities as a way of an informal protocol of collaborating on the delivery of LEEP.
- An *e-learning process* will be developed to have software, products, guidelines, and other documents and tools on-line for easy access by employers, regional officers, clients, and the general public.
- In addition, LEEP will standardize several aspects of the Program, so that policies and support and implementation steps are consistent and simple.
- LEEP will review the reporting burden on employers.

1. Introduction

This is the report of the evaluation of the Legislated Employment Equity Program (LEEP). The evaluation research was undertaken in conformance with Treasury Board Secretariat's evaluation guidelines. The evaluation focussed on the relevance, delivery and implementation and results of the Program. This report provides the findings and conclusions of the evaluation.

1.1 Objective of the Evaluation

The *Employment Equity Act* (Bill C-64) requires a mandatory review of the legislation every five years. The evaluation was required in order to assess the impact of the changes and progress made to the Program following the 1995 amendments to this legislation, as well as progress made since the last evaluation, which was conducted in 1992. The purpose of the evaluation is to assess the LEEP component of the *Employment Equity Act* and to provide a timely update and in-depth feedback to:

- Parliament;
- Federal officials responsible for the Program; and
- Managers in the private sector who are working to implement equity measures.

The evaluation may also inform future policy direction for improvement of employment equity programs.

Specifically, the objectives of the LEEP evaluation were to:

- Examine issues related to the continuing rationale for the Program and its implementation and operations; and
- Measure the effectiveness of the Program over time in increasing the representation of employees belonging to the four designated groups.

The evaluation of LEEP is one of many important exercises in support of the application of the federal government's employment equity policies, as outlined in the *Employment Equity Act* and the *Canadian Human Rights Act*. Overall, a number of related activities in support of ongoing assessment have been undertaken and include an evaluation of the Canadian Human Rights Commission's (CHRC) audit function of employers' compliance with the *Act*, a review of the *Canadian Human Rights Act*, and a nation-wide consultation with employer organizations and designated groups. Combined with the evaluations of the Federal Contractors Program (FCP) and LEEP, these reviews provide valuable information to support and strengthen Canada's commitment to fair and equitable treatment of all citizens.

1.2 The History of Employment Equity in Canada

Recent decades have witnessed dramatic change in the country's demographic profile. Canada has been transformed from a society with predominantly Aboriginal and European roots into one that embraces many cultures and traditions. One Canadian in nine is a member of a visible minority group. In the 1996 census, members of visible minorities numbered more than three million. Two million came as immigrants; one million are Canadian by birth. The recent 2001 census figures show that Canada received a total of 252,088 immigrants in the year 2000, almost 50,000 more than the previous year.² Immigration is a positive factor in the Canadian economy, as it contributes skills and replenishes the declining population. Census data show that immigration is an important source of growth in the Canadian labour force.

The first *Employment Equity Act* in Canada came into effect in 1986, the culmination of several decades worth of efforts to bring about equity in the workplace. The goal of the Government of Canada was to ensure that federally regulated private sector employers supported a workforce that mirrored the demographic representation of the general labour force in Canada. The main purpose of the *Employment Equity Act* was to correct the disadvantages experienced by designated groups in the workforce. These designated groups are women, Aboriginal peoples, persons with disabilities, and members of visible minorities.

The *Employment Equity Act* was amended in 1995. The overall purpose of the *Act* did not change in 1995, and is:

“...to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and, in the fulfillment of that goal, to correct the conditions of disadvantage in employment experienced by women, Aboriginal peoples, persons with disabilities and members of visible minorities by giving effect to the principle that employment equity means more than treating persons the same way but also requires special measures and the accommodations of differences.”

The main changes made to the *Act* in 1995 were:

- Addition of a mandate for the Canadian Human Rights Commission (CHRC) to conduct on-site audits to monitor compliance with the *Act*;
- Removal of the right of third parties to initiate human rights complaints against employers on behalf of a group of workers belonging to a designated group (e.g., the action launched by the *Action Femmes des Travailleurs* under the previous *Act*);
- Elimination of the right of redress against discrimination based on statistical evidence (e.g., as was initiated by members of visible minorities against Health Canada);

² Statistics Canada, CANSIM II, table [051-0006](http://www.statcan.ca), access via <http://www.statcan.ca>.

- Clarification that the implementation of employment equity should not cause undue hardship on the employer, require promotion or hiring of unqualified individuals, contradict the merit principle in the public sector, or require the creation of new positions in the employer's workplace;
- Confirmation of the Minister of Labour's mandate to conduct research, provide labour market data, conduct public education programs, recognize outstanding achievement in employment equity, and carry out other activities to further the goals of the *Act*;
- Establishment of Employment Equity Review Tribunals to hear employment equity cases and issue orders recognized in Federal court;
- Guarantee that equivalent program requirements exist for those employers subject to the *Act* and those that are subject to the Federal Contractors Program;
- Statement that seniority rights with respect to layoffs and recalls do not constitute employment barriers under the *Act*;
- Amendments to the *Canadian Human Rights Act* to prevent double jeopardy for employers for taking special measures to favor members belonging to the designated groups; and
- Provision for a mandatory review of the legislation every five years, replacing the former requirement for a review every three years.

The *Employment Equity Act* is supported by the *Employment Equity Regulations* which stipulate the specific activities required of employers, such as the collection of workforce information, workforce analysis, employment systems review, maintenance of employment equity records, and employers' reporting requirements.

Internationally, Canada is recognized as a world leader in welcoming and supporting diversity and including all ethnic and racial groups in the nation's social and economic life. Canada has one piece of legislation that covers its four designated groups, while most other industrialized countries have fragmented legislation.³ What Canada and other industrialized countries have in common is the existence of two categories of programs: a) general programs addressing all jobseekers' needs, with particular attention to disadvantaged groups; and b) specific programs for each designated group. The Legislated Employment Equity Program is regarded as a good practice and has been used as a model by countries such as South Africa. South Africa's equity legislation was passed in 1998, under the presidency of Nelson Mandela (Canada's second honorary citizen).

The turn of the century has seen increasing movement towards economic globalization and the liberalization of trade, giving firms access to larger markets in which to sell their products. There has also been a further expansion of the multilateral trade rule framework, now also including trade in services. Services, which cover a wide range of economic activities such as banking, transportation, and telecommunications, represent

³ The *Employment Equity Act Review, A Report to the Standing Committee on Human Resources Development and the Status of Persons with Disabilities*, December 2001, pp. 9.

the industries covered under the *Employment Equity Act*. Trade agreements have substantially broadened the economic activities of these industries and have made them subject to international trade rules.

These changes, along with increasing international competition, have put the issue of having a wide pool of available individuals, representing all groups in the workforce, at the forefront. Women, persons with disabilities and members of visible minorities constitute more than half of the workforce in many communities.⁴ Aboriginal peoples are experiencing a high growth of working age young adults ready to enter the labour market. Employment equity initiatives serve to get more people belonging to groups that have traditionally been at a disadvantage in the labour market into productive jobs and encourage the redistribution of opportunities. Employers have also reported that having members of designated groups as a part of their staff allows them to tap into different markets and provide improved customer service.

“The concept of employment equity must continually be reinvented to adapt it to a changing context in order to on the one hand, preserve gains already made, and on the other hand, to continue progress in the application for equity principles. This progress is at times slower that we would like it to be. At this stage, we must remind ourselves of the enormity of the changes already made and strive to make them last... In a time of belt-tightening, the optimal usage of resources is not just an asset but also a question of survival. In this respect, employment equity becomes a powerful tool for management (and marketing) giving a strategic advantage to businesses that uphold its principles.”

– Canadian National.

1.3 Evaluation Issues and Questions

This evaluation report presents information gathered on the basis of an evaluation framework prepared by Human Resources Development Canada (HRDC) in preparation for this study. The evaluation framework and study have followed Treasury Board Secretariat’s program evaluation methodology by focusing on LEEP’s relevance, delivery and implementation, and results.

The table below outlines the questions addressed in each of the three issue areas of the methodology.

⁴ The *Employment Equity Act Review, A Report to the Standing Committee on Human Resources Development and the Status of Persons with Disabilities*. December 2001, pp. 9.

Table 1-1
LEEP Evaluation Questions

Relevance	<ul style="list-style-type: none"> • Is there a continuing need for a legislated program for employment equity to bring about greater fairness and equity in the workplace? • Are the mandate and objectives of the LEEP still valid?
Delivery and Implementation	<ul style="list-style-type: none"> • How appropriate, efficient and effective are the present structure, resource distribution, operational arrangements, and supports for the Program? • Are the supports and tools used in the Program (such as program guidelines, brochures, software packages, data, consultations) useful and sufficient or adequate? • Are improvements or modifications needed to the employer reporting process, including the narrative component (content, frequency, other)? • Are improvements or modifications needed to the Program's Annual Report? • Are there structural specifications in the employment equity legislation that facilitate or may act as an impediment to the successful implementation of the Program? • Is the Program undertaking appropriate and adequate promotional, educational and research activities in fulfilling its mandate? If not, which activities need to be strengthened?
Results, Impacts and Effects	<ul style="list-style-type: none"> • How effective is the Program in promoting, supporting and enhancing workplace equity in the covered firms? • Has the Program helped covered firms to identify and reduce employment barriers against designated groups? • Has the representation of the designated groups changed in the covered private firms under LEEP since the introduction of the new <i>Act</i>? • Are there differential impacts observed among the designated groups within covered firms? If yes, which groups are the main beneficiaries? • To what extent can changes in employment opportunities (hiring, promotion, training wages, salaries) for designated groups be attributed to the employers developing and implementing employment equity plans? • Is there any evidence of unintended program effects (positive or negative) (e.g. radiation or backlash)?

1.4 How to Read this Report

This evaluation report is divided into eight sections:

- **Section 1** gives the context of the evaluation;
- **Section 2** outlines the methodology used for this study;
- **Section 3** provides a profile of the Legislated Employment Equity Program;
- **Section 4** discusses the evaluation results from all lines of evidence with respect to the relevance of LEEP;
- **Section 5** describes the key evaluation findings that are pertinent to the delivery and implementation of LEEP;
- **Section 6** presents the evaluation results from all lines of evidence as they pertain to the results, impacts and effects of LEEP;
- **Section 7** highlights some of the lessons learned and good practices implemented by employers that fall under the mandate of LEEP;
- **Section 8** summarizes the **overall** conclusions with respect to the relevance, delivery and implementation and results, impacts and effects by LEEP on the private sector employers and Crown Corporations that fall under its terms.

2. Methodology

This evaluation of Legislated Employment Equity Program (LEEP) has used both quantitative and qualitative information. To address the evaluation questions, an analysis of the Labour Program's administrative database was undertaken and two surveys were conducted - one of employers, and another of comparable employers that are not covered under LEEP. In addition, interviews were conducted with program officials, employers, provincial employment equity representatives as well as union representatives. Finally, one focus group was held with the Canadian Human Rights Commission (CHRC) and another with representatives from organizations representing designated groups. This section describes in greater detail the lines of evidence used for the evaluation.⁵

2.1 Administrative Data Analysis

The source of data for the administrative data analysis were employer reports submitted to LEEP. This data is stored in an employer's database maintained by Human Resources Development Canada (HRDC) that provides an annual snapshot of each firm's workforce, providing data by industry sector, geographic location and employment status including occupational groups, salary ranges, hires, promotions and terminations. A two-phased approach was used in analysing the data. The first phase involved a descriptive analysis, examining changes in representation rates, promotions and salary data over time for each of the designated groups. The second phase focused on the development of an econometric model, using a set of explanatory variables that potentially could account for the changes in representation of the designated groups over time.

The intent of the multivariate analysis was to quantitatively distinguish between the change in workforce characteristics that were likely to occur naturally in organizations (in the absence of employment equity program efforts) and those that occurred as a direct consequence of program initiatives.

2.2 Econometric Model

The econometric model examined factors associated with changes in representation rates of the designated groups. The administrative data, which included firm-specific information as well as socio-economic characteristics, was in a "pooled time series cross-section" format. To conduct the most appropriate and effective econometric analysis, various regression models were developed and used in measuring program impact on the representation of the four designated groups within the labour force of employers covered by LEEP.

The model and detailed regression equations are discussed more fully in the Technical Report, which is bound separately as an appendix to this evaluation report.

⁵ This report includes the major research results as they pertain to the evaluation questions. In addition, more detailed findings are available in the Technical Reports as a separately bound appendix to the Final Report.

2.3 Surveys of LEEP Employers and Comparison Employers

The target population for the employer survey was the 420 private sector employers primarily within the banking, transportation and communication industry sectors, and 31 Crown Corporations that currently participate in the employment equity program. The objective of the employer survey was to obtain feedback and opinions on issues that are relevant to employment equity, as well as employers' current employment equity plans, the resources they allocate to employment equity, and initiatives they have put in place.

The surveys were mailed to 396 LEEP employers. The discrepancy between the number of employers covered under LEEP and those who received the survey stems from the fact that 55 of these companies are in their first year of the Program and have yet to fill out their Annual Report. As a result, these 55 companies were sent the comparison survey questionnaire for the purposes of this evaluation.

In the end, of the 396 LEEP employers who received the survey, 94 responded. This represents a response rate of 24%. A follow-up phone call was made to employers who had not responded to the mail survey by the deadline.

The comparison group survey was administered to 490 employers. The comparison group was drawn from organizations that are in the same industries as those firms covered under the employment equity program, but that are not legislated to participate in the Program. Also included were the 55 LEEP employers in their first year of the program. Selecting companies from similar industries and size allowed for a more direct comparison of potential effects/impacts that the employment equity program has had on the workforce.

The comparison group employers were recruited by phone and sent a questionnaire if they agreed to participate. A follow-up telephone call was placed with non-respondents. Of the 490 surveys administered to the comparison group, 116 completed questionnaires were returned. This represents a response rate of 24%.

The response rate for both the employer and comparison group survey were lower than expected at the outset. Follow-up calls to those who had not faxed back their questionnaire within the time allocated revealed that limited time and resources, as well as their recent participation in other studies, were reasons for not participating. In addition, comparison group employers who declined to participate indicated that they did not do self-identification surveys.

Tables 2-1 and 2-2 below show a distribution of the respondent LEEP firms and comparison group firms by region and by industry sector, as well as the total LEEP employer population. The majority of respondents for both employer groups are located in Ontario and the Prairies whereas the majority of employers in LEEP are located in Ontario and Quebec. The majority of the LEEP respondents are in the Transportation sector, followed by the Communications sector, which parallels the program distribution by employer. For the comparison group of employers, the majority of respondents were in the Transportation sector.

Table 2-1 Breakdown of Respondents and Total LEEP Population by Region			
	Total LEEP Population	LEEP Respondents	Comparison Respondents
Atlantic	5.7%	4.3%	8.6%
Quebec	18.9%	16.0%	12.1%
Ontario	44.8%	31.9%	36.2%
Prairies (MB, SK, AB)	10.4%	34.4%	28.4%
Pacific (BC, YK, NT, NU)	12.0%	10.6%	13.8%
Not specified (or Other)	8.2%	3.2%	0.9%
Total	100.0%	100.0%	100.0%

Table 2-2 Breakdown of Respondents and Total LEEP Population by Industry Sector			
	Total LEEP Population	LEEP Respondents	Comparison Respondents
Banking	5.3%	5.4%	7.8%
Transportation	58.9%	60.2%	68.7%
Communications	23.1%	23.7%	8.7%
Agriculture		5.4%	1.7%
Not specified (or Other)	12.7%	5.4%	13.0%
Total	100.0%	100.0%	100.0%

The average company size for LEEP survey respondents was 2,500 full-and part-time employees, while the comparison group's average number of full and part-time employees was 515. The average firm size of the total LEEP population is 1,700 employees. Thus, the LEEP employer respondent sample includes a greater proportion of large firms than would be expected based on their representation in the population of LEEP employers.

2.4 Key Informant Interviews

Key informant interviews were first conducted with LEEP managers and staff, and with others at National Headquarters who were involved in drafting the 1995 Legislation. These fact-finding interviews were carried out to obtain up-to-date information on the employment equity program and to identify relevant issues or sensitivities for the other study components of the evaluation.

Following these, interviews were conducted with 14 Regional LEEP managers and staff; human resources managers and/or employment equity officers in ten employer organizations; three provincial employment equity representatives; two labour representatives; and one academic expert.

Regional LEEP managers and staff provided information on issues pertaining to the delivery and implementation of LEEP. Provincial employment equity representatives provided information on other employment equity (EE) initiatives and commentary on

the continued relevance of LEEP in relation to these other employment equity initiatives. The interviews conducted with labour representatives, employers and academic experts sought their opinions on the relevance, delivery and implementation, and results, impacts and effects of the Program.

Finally, and as an alternative to a planned focus group session with Aboriginal organizations, five Aboriginal peoples' organizations were also interviewed by phone to gather their perspective on employment equity issues.

2.5 Focus Groups

Two focus groups were held, one with CHRC auditors and one with representatives from advocacy organizations of three of the four designated groups covered under the legislation (women, persons with disabilities, visible minority groups).

The focus group with advocacy organizations allowed the researchers to hear from the designated groups themselves as to the relevance and the results of LEEP and the *Employment Equity Act*. Aboriginal organizations were contacted for separate interviews (see 2.4 above) for their input to the evaluation as last minute cancellations resulted in no representatives from Aboriginal peoples' organizations showing up to the planned focus group session.

The focus group with CHRC auditors provided information on their perspective and role in ensuring compliance with the *Employment Equity Act*, and their perception of the delivery and implementation of LEEP.

2.6 Limitations to the Study

As the evaluation research progressed, it became apparent that there were issues and research questions that could not be fully addressed. The limitations to this study are as follows:

- The revisions to the *Act* took place in 1995 but were implemented in 1996. One of the purposes of this evaluation was to assess the effects of the new amendments as they relate to LEEP. The most recent administrative data available at the start of this evaluation were from 1999. The most recent Census data available were from 1996. When analyzing rates of change in the Program before and after the revision to the *Act*, these rates of change were strongly negatively correlated. It is believed that a lengthening of the latter time period of study would enable more sound analysis. As a result, strong conclusions cannot be made by comparing the two periods, and therefore most of the analysis focuses on the entire period under study;

- The administrative data come from LEEP employers who submit their reports on an annual basis. Employers track the number of designated group members in their organizations by asking employees to self-identify whether they belong to a designated group. According to the *Act*, only those employees who identify themselves or who agree to be identified as members of designated groups are to be counted as members of those designated groups for the purposes of the report [*Act*, 18(4)]. This process of self-identification may introduce bias when tabulating the counts for persons belonging to visible minorities, Aboriginal peoples and persons with disabilities. For instance, employees may fail to identify themselves as belonging to one of these groups for fear of negative repercussions. Since it is not always clear what the motivation is for some employees to indicate they belong to a designated group or not, employers' reports may not accurately reflect reality. In other words, there is no external validation of the data submitted by employers. This potential bias is further compounded since employees may identify themselves as belonging to multiple designated groups;
- The response rate (24%) for the two surveys conducted for this study is considered average for a mail survey of this kind. While the survey results are presented in the report, it should be noted that as the LEEP firms' responses make up just 24% of all LEEP employers, the conclusions should therefore be regarded only as indicative evidence.

3. Program Profile

The Legislated Employment Equity Program (LEEP) is one of several mandatory federal government programs under the 1995 *Employment Equity Act* (Bill C-64) designed to correct conditions of disadvantage experienced in the workplace by four designated groups. The Program's mandate is to promote, support, and enhance employment equity in federally regulated firms and Crown Corporations with 100 or more employees. At the time of the evaluation the Program covered 420 private sector employers and 31 Crown Corporations, with a combined workforce of over 600,000 employees. Employers covered by the Program include firms primarily in Transportation, Banking, and Communications industries. Communications is the largest industry by number of employees in the workforce under the *Act*, followed closely by Banking and Transportation (1999). These federally regulated employers are required, under LEEP, to identify and eliminate barriers, implement special measures and accommodate differences. In addition, each employer is required to submit annual statistical/narrative reports to Human Resources Development Canada (HRDC) on the results achieved, progress and measures taken to address barriers.

LEEP is responsible for ensuring the objectives of the *Act* are met. As such, LEEP:

- Ensures the *Act* is implemented and complied with by firms and organizations that fall under its terms;
- Facilitates implementation and compliance with reporting;
- Monitors such compliance; and
- Administers any required remedial measures within the terms of the *Act*.

The main activities performed by LEEP at National Headquarters (NHQ), as well as in the Regions, are as follows:

- **Identifying covered employers** and sending them a package, which includes the *Employment Equity Act* and *Regulations*, employers' obligations and supporting materials and a list of regional employment equity officers (including their contact information) available to provide assistance to employers;
- **Providing availability statistics and Canadian Labour Force Data** on the distribution of designated group members by qualifications, occupational groups (National Occupation Classification) and industry to assist employers in determining representation rates, to further explore their employment systems and practices, and identify any barriers or discrimination;
- Undertaking other **research** activities such as examining alternative **approaches** to workplace equity by looking to other jurisdictions and other countries. This research is intended to support employment equity related policy and program development;

- **Providing support to employers** to make sure they have all the information required to develop employment equity plans and to meet their obligations under the *Act*. Support activities include holding workshops or seminars, as well as individual meetings. It also includes providing assistance to employers in using the Employment Equity Computerized Reporting System (EECRS) that was developed for employers by the Labour Program in preparing the Annual Reports;
- **Educating employers and others (unions, advocacy groups, etc.) on employment equity** to promote the objectives of employment equity for the four designated groups. These activities take the form of either organizing or participating in workshops, seminars, conferences and meetings;
- **Receiving and making available employers' Annual Reports**, which are submitted to the Labour Program by June 1 every year and cover the previous calendar year. These reports profile the representation of the four designated groups in the organization. Employers are also required to submit a narrative report to supplement the information provided in their reports;
- **Consolidating Annual Reports** and analyzing these data on an annual basis. The Minister of Labour tables this consolidated Annual Report each year in Parliament. This report also **provides a rating** of the employers according to the progress and achievement made in their employment equity activities;
- The Labour Program is charged with one compliance issue i.e. to make sure that the **employers submit their annual reports** by June 1 every year. This entails confirming the receipt and accuracy of the Employer Report (full compliance audits of employers are performed by Canadian Human Rights Commission (CHRC)). Should an employer fail to submit this report, or submit an erroneous or incomplete report without a reasonable justification, the Labour Program can levy a monetary **penalty**. This penalty can be up to \$10,000 for a single offence and as high as \$50,000 for repeated or continued violations. An employer who is fined for non-compliance can apply to the Minister of Labour for a review by a Tribunal, whose decision is final;
- Providing **merit awards** to employers who have demonstrated outstanding performance in achieving or making progress in workplace equity. These awards are intended to provide incentive and encouragement to all employers to improve their employment equity performance.

LEEP is delivered jointly by workplace equity staff of Labour Standards and Workplace Equity at NHQ and regional Workplace Equity Managers and Officers. The Workplace Equity Officers provide consultation services to assist employers in developing their employment equity plans and to facilitate their implementation and employer compliance with the *Act*. They are also responsible for the Program's promotional and educational activities to employers and the public in their region.

The 1995 revised *Act* mandated CHRC to conduct a comprehensive audit function of employers' compliance with the *Act*. Employers were initially to be audited every three years, although this has recently changed to every five years as a result of the length of time it takes to perform an audit. Most audits take approximately two years, but can also last for as long as five years.

The Employment Equity Tribunal is also a result of the 1995 revised *Act*. Employers who have been found non-compliant in an audit and have received directions from CHRC, but who made no attempt to comply, are referred to the Tribunal by CHRC.

As mentioned above, LEEP is one of several initiatives under the *Employment Equity Act*. Another initiative that operates parallel to LEEP is the Federal Contractors Program (FCP), which was initiated in 1986. FCP pertains to provincially regulated employers with a national workforce in Canada of 100 employees or more, which receive federal government goods or services contracts of \$200,000 or more. The workplace equity staff of Labour Standards and Workplace Equity also administer FCP from NHQ, and the same network of regional Workplace Equity Officers involved in administering LEEP also administer FCP. The FCP was the subject of a separate evaluation which was approved by the HRDC Audit and Evaluation Committee in April 2002. The Equal Pay Program, which has as its objective to eliminate gender-based wage discrimination in the federal jurisdiction, also falls under the responsibility of regional Workplace Equity Officers.

4. Relevance

This section presents the evaluation results from all lines of evidence as they pertain to the relevance of Legislated Employment Equity Program (LEEP). The findings are structured according to the research questions, which are presented in Table 1-1 in Section 1 of this report. This section provides evidence that there continues to be a need for a legislated employment equity program to ensure a fair and equitable workplace, and that the mandate and objectives of LEEP are still valid.

IS THERE A CONTINUING NEED FOR A LEGISLATED PROGRAM FOR EMPLOYMENT EQUITY TO BRING ABOUT GREATER FAIRNESS AND EQUITY IN THE WORKPLACE?

Using the *Employment Equity Act* as a vehicle, Canada has made progress in moving towards employment equity. The LEEP model in place forms a strong basis upon which to build. The *Employment Equity Act* and a legislated employment equity program are still needed and relevant because, as the Canadian workforce continues to become more and more diverse, there is a need to urge employers to recognize the benefits and the fairness issue of having a diverse and representative workplace. Not only does Canada receive more than 250,000 new immigrants every year,⁶ the number of working age Aboriginal people is also increasing. Furthermore, the number of persons with disabilities is also increasing, partly as a function of an ageing population. As long as these groups and women are under-represented within federally regulated firms, there is a need for a legislated employment equity program.

The following discussion looks at the representation of each of the designated groups in greater detail, including by industry sector workforce under the *Act*. Statistics Canada's Census tabulates workforce population counts for Aboriginal peoples, members of visible minorities and women. Availability data for persons with disabilities is compiled from the 1991 Health and Activity Limitations Survey (HALS, StatsCan).

The value of considering the representation of the designated groups in relation to their corresponding labour market availability lies in using these counts as a point of reference to calculate a "representativity index" for each designated group.

⁶ Statistics Canada, Statistics Canada, CANSIM II, table [051-0006](http://www.statcan.ca), access via <http://www.statcan.ca>.

The representativity index is the ratio of the percentage of total employment in LEEP firms accounted for by designated group members (representation rate), relative to the percentage of total employment they account for in the total available workforce. A representativity index of less than 100 demonstrates that the representation rate of the designated group is less than their representation rate in the total workforce, implying that the group is under-represented. A representativity index of greater than 100 indicates that the representation rate of the designated group in the LEEP workforce is greater than that in the total workforce, implying that the group is represented above its workforce availability.

The “representativity index” answers questions such as, “To what extent do LEEP employers provide employment for members of designated groups”?

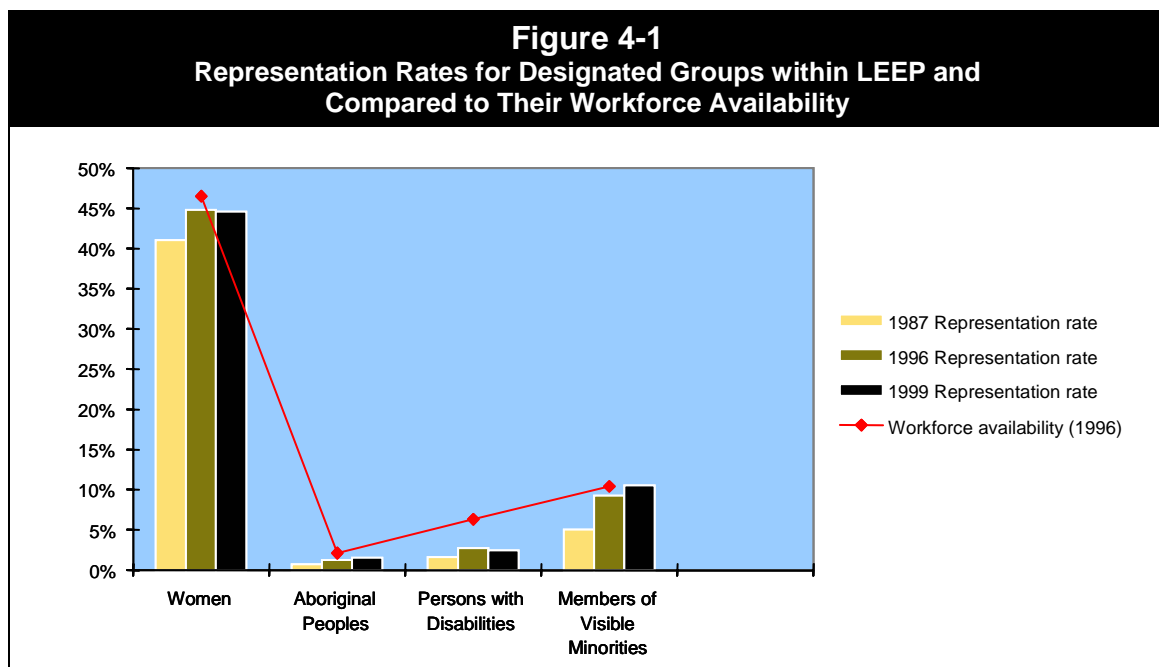


Table 4-1
Representation Rates for Designated Groups within LEEP and Compared to Their General Workforce Availability (1996)

	Women	Aboriginal Peoples	Persons with Disabilities	Visible Minorities
General Workforce availability	46.50 %	2.10%	6.30%*	10.40%
LEEP 1987 representation rate	41.00 %	0.70%	1.60%	5.00%
LEEP 1996 representation rate	44.80 %	1.20%	2.70%	9.20%
LEEP 1999 representation rate	44.60 %	1.50%	2.40%	10.50%

* 1991 HALS Survey

REPRESENTATION OF ABORIGINAL PEOPLES

It is clear that Aboriginal peoples have made progress over time. In fact, representation rates of Aboriginal peoples have more than doubled in three of the four sectors from 1987 to 1999⁷ (see Table 4-2). When comparing the 1996 LEEP data with the 1999 LEEP data, it can be observed that the Transportation sector realized the most significant gain. Conversely, the Communications sector, which employed among the lowest proportion of Aboriginal peoples in 1987, experienced the lowest growth in representation rates over the period.

Table 4-2 below outlines the representation of the Aboriginal peoples in LEEP covered firms for years 1987, 1996 and 1999, and also provides the relative percent point change in representation within each sector between 1987 to 1999.

	Transportation	Communications	Banking	Other
LEEP 1987	0.7%	0.6%	0.6%	0.9%
LEEP 1996	1.2%	1.1%	1.1%	2.0%
LEEP 1999	1.8%	1.1%	1.3%	2.4%
% Point Gain (Loss) 1987-1999	1.1	0.5	0.7	1.5
Source: Labour Program Administrative Data – LEEP Employer Reports				

Table 4-3 below presents the representativity index for Aboriginal peoples for each industry. It was only possible to calculate the representativity index for 1996 since the questions on the census forms in previous years are not consistent with those asked in 1996. The representativity index was highest in the “Other” sectors⁸ where the percentage of the workforce accounted for by Aboriginal peoples in LEEP firms was almost equal to their percentage of the total workforce. In each of the other three industrial sectors the representation rate of Aboriginal peoples in the LEEP workforce was only a little more than half of the representation rate of Aboriginal peoples in the total workforce. (Note: the “Other” sector accounted for only 8.5% of all LEEP employees in 1999 and for 7.2% in 1987).

	Transportation	Communications	Banking	Other
1996	58	52	54	95
Source: Labour Program Administrative Data				

⁷ While the *Act* was implemented in 1986, the first year of reporting on employment equity took place in 1987. As a result, 1987 is used in this report as it is the year in which data became available.

⁸ The “Other” sector consists of Crown Corporations in nuclear energy and grain elevators, and firms in numerous sectors, including manufacturing, consulting and utilities.

Note: the “representativity index” expresses the ratio of representation in LEEP firms to the designated group’s availability in the general workforce, where an index of 100 means LEEP representation equals general labour force availability.

REPRESENTATION OF PERSONS WITH DISABILITIES

The growth in the representation rate of persons with disabilities was highest in Transportation, followed closely by Communications; the sectors in which the original representation rate in 1987 was lowest. In the Banking sector, the gains made in the representation of persons with disabilities in the years 1987 to 1996 were lost in the time between 1996 and 1999, falling from 3.7% in 1996 to 2.2% in 1999. Table 4-4 presents the representation within each industrial sector for the time periods 1987, 1996 and 1999, as well as the overall percentage point change between 1987 and 1999.

Table 4-4				
Persons with Disabilities – Representation Rates by Industrial Sector				
	Transportation	Communications	Banking	Other
LEEP 1987	1.4%	1.4%	1.8%	2.3%
LEEP 1996	1.6%	2.5%	3.7%	2.9%
LEEP 1999	2.5%	2.4%	2.2%	2.9%
% Point Gain (Loss) 1987-1999	1.1	1.0	0.4	0.6
Source: Labour Program Administrative Data – LEEP Employer Reports				

Workforce availability data were only available in 1991 from the Health Activity Limitation Survey (HALS). Hence, Table 4-5 presents both the representation rate and the representativity index for 1991. Persons with disabilities are under-represented in all sectors. In 1991 the highest representation rate of persons with disabilities was found in the Banking sector at 4%, as well as the highest representativity index at 63%. However, since 1996, the representation rate of persons with disabilities has declined in the Banking Sector.

Table 4-5				
Persons with Disabilities – Representation Rate and Representativity Index (1991)				
	Transportation	Communications	Banking	Other
Representation rate	1.8%	1.8%	4.0%	2.7%
Representativity index	28.3	29.2	62.7	42.5
Source: Labour Program Administrative Data				

REPRESENTATION OF MEMBERS OF VISIBLE MINORITIES

Strong growth occurred in the representation rates for members of visible minorities in all sector between 1987 and 1999, with increases in representation ranging from a low of 4.4 percentage points (Transportation) to a high of 6.3 percentage points (Banking). In 1999, members of visible minorities occupied almost 16% of the positions in the Banking sector, and more than 9% of the positions in the Communications sector.

Table 4.6 below illustrates the representation rate by year and sector, and overall percentage point change between 1987 to 1999.

Table 4-6				
Members of Visible Minorities – Representation Rate by Industrial Sector				
	Transportation	Communications	Banking	Other
LEEP 1987	2.7%	4.1%	9.5%	2.6%
LEEP 1996	4.8%	8.7%	14.1%	7.8%
LEEP 1999	7.1%	9.3%	15.8%	7.2%
% Point Gain (Loss) 1987-1999	4.4	5.2	6.3	4.6
Source: Labour Program Administrative Data – LEEP Employer Reports				

Table 4-7 below presents the representativity index for visible minorities by industrial sector. LEEP firms operating in sectors where members of visible minorities were under-represented in 1987, relative to the total workforce, recorded increases in the representativity index over the period of 1987-1996. Conversely, in the Banking sector where the representation rate of members of visible minorities was higher in LEEP firms than in the total workforce in 1987, the representativity index fell over the 1987 to 1996 time frame. However, the representation rate of members of visible minorities in Banking still exceeded the representation rate of members of visible minorities in the total workforce.

Table 4-7				
Members of Visible Minorities – Representativity Index				
	Transportation	Communications	Banking	Other
1987	42	64	150	41
1996	47	85	137	76
Source: Labour Program Administrative Data				

REPRESENTATION OF WOMEN

Of the four designated groups, women have been the most highly represented overall throughout the years. However, the representation of women varies greatly from industry to industry. For instance, in 1987, women occupied a full 76% of the positions in the Banking industry. But only 17% of the employees in the Transportation industry were women. Nevertheless, women have made progress in the Transportation industry. In 1999, more than 25% of the positions in Transportation were occupied by women. Table 4-8 below illustrates women’s representation by year and sector, and overall change between 1987-1999.

Table 4-8
Women – Representation Rates by Industrial Sector

	Transportation	Communications	Banking	Other
LEEP 1987	17.0%	39.6%	76.1%	21.3%
LEEP 1996	21.7%	41.9%	74.8%	24.6%
LEEP 1999	25.3%	41.5%	72.0%	25.6%
% Point Gain (Loss) 1987-1999	8.3	1.9	(4.1)	4.3

Source: Labour Program Administrative Data – LEEP Employer Reports

While women’s representation in the workforce covered by LEEP employers reached 96% of their labour market availability, they remain underrepresented in three of the four sectors. The representativity index displayed in Table 4-9, illustrates steady employment growth of women in the Transportation sector, but the representativity index remains well below their labour market availability. The same can be said about the Other sector. The representativity index in Communications was stable over the 1987-1996 period, but remained below the labour market availability. Women’s representation in the Banking sector is considerably higher than their workforce availability, although it decreased between 1987 and 1996.

Table 4-9
Women – Representativity Index

	Transportation	Communications	Banking	Other
1987	39	90	173	48
1996	47	90	161	53

Source: Labour Program Administrative Data

The representation rates for each of the designated groups in LEEP firms increased over the 1987 to 1999 period. However, the representation rate for each of the designated groups is usually higher in the total available workforce than in the LEEP workforce throughout the entire period under study. The two exceptions to this were for *members of visible minorities and women employed in the Banking sector* as their representation rates were higher than in the total available workforce.

The gaps illustrated by the representativity indices (i.e. below 100), show that LEEP firms are still not fully using the available pool of labour. At the same time, it is noteworthy that the rate of growth for each designated group observed in the LEEP workforce was higher than in the general labour force for the years where data was available.

OTHER EVALUATION FINDINGS PERTAINING TO A CONTINUED NEED FOR LEEP

Survey respondents were asked a series of questions pertaining to the continued relevance of LEEP. LEEP firms indicated that they have a good understanding of what is required of them, both with respect to the *Act* and LEEP. The surveyed LEEP firms and comparison group firms moderately agreed that there is still a need for employment

equity and for a legislated employment equity program to bring fairness and equity in the workplace. At the same time, they disagreed that legislated employment equity programs address issues that would otherwise be disregarded. Interestingly, there are more LEEP employers who felt this way than comparison group firms (48% vs. 34%). Table 4-10 below presents the LEEP employer and comparison group opinions on the relevance of LEEP. Respondents were asked to rate their agreement on a series of statements using a Likert type scale ranging from 1 (strongly disagree) to 5 (strongly agree).⁹

Table 4-10 LEEP Relevance Issues						
	LEEP Employers			Comparison Employers		
	Disagree	No View	Agree	Disagree	No View	Agree
I understand what is required of my organization with respect to the <i>Employment Equity Act</i>	2%	10%	88%	N/A	N/A	N/A
I understand what is required of my organization with respect to the Legislated Employment Equity Program	2%	14%	84%	N/A	N/A	N/A
There is a continuing need for a legislated program for employment equity	29%	16%	55%	17%	38%	45%
Legislated employment equity programs are still needed to bring greater fairness and equity in the workplace	26%	23%	51%	23%	33%	44%
If the legislated employment equity programs did not exist, workplace equity would not exist	66%	18%	16%	46%	27%	28%
The Legislated Employment Equity Program addresses issues in workplace equity that would otherwise be disregarded	48%	16%	35%	34%	30%	36%
Source: PWC Consulting, Employer and Comparison Group Surveys						

According to LEEP national and regional managers and staff, as well as Canadian Human Rights Commission (CHRC) employees interviewed for this evaluation, employers do not consider employment equity as a good business practice. Instead, they suggested that the Program needs to focus on the business drivers behind having employment equity practices in place by providing guidelines and direction, and by advocating the business case for employment equity.

⁹ Respondents' answers have been collapsed so that "strongly agree" and "agree" have been combined, as have "strongly disagree" and "disagree" in all the tables presenting the employer survey results in this report.

While LEEP has maintained a solid focus on the reporting activity, less time is being expended on promotional and educational activities. Labour Program officials, as well as others such as the CHRC, suggested this is a result of limited program resources. For example, regional Workplace Equity Officers (WEOs) have several other roles to play, such as implementing Federal Contractors Program (FCP) and Pay Equity programs. Multiple responsibilities of this magnitude do not allow WEOs sufficient time for educational and promotional activities.

The reporting aspect of LEEP is important for tracking progress. Representatives from LEEP NHQ and RHQ, labour unions, the Canadian Human Rights Commission (CHRC), and academic experts all stated LEEP's reporting requirement has compelled employers to review their human resources systems and processes to ensure they comply with the *Employment Equity Act*. The reporting process has also brought about public scrutiny. Through the Minister of Labour's tabling of the Annual Report on the *EE Act* to Parliament, LEEP employers are held publicly accountable for their workplace equity practices.

Thus, there continues to be a need for a legislated employment equity program to bring equality and fairness to the workplace for several reasons. Designated group populations are increasing in numbers (particularly Aboriginals and visible minorities) and there needs to be a continued effort made to facilitate their entry into the workforce. LEEP firms have made substantial progress since the *EE Act* first came into effect in 1987 in increasing the representation of all designated groups. At the same time, LEEP employers continue to have some distance to go to match the representation of designated group members in the Canadian workforce. Since the representation rates of designated groups have increased faster in LEEP firms than the increase in their availability in the general workforce, over all years, it appears that LEEP has had a positive impact. Reporting on EE progress is essential for all stakeholders, be it for the government, auditors, employers and employees to demonstrate results in achieving the objectives of the Program. At the same time, education and promotion of employment equity activities continue to be needed, as most employers have not yet achieved a representative workforce.

ARE THE MANDATE AND OBJECTIVES OF LEEP STILL VALID?

The *EE Act* requires one body, LEEP, to assist and educate employers and to oversee reporting activities; and another body, CHRC, to perform the audit function. One compliance issue falls under LEEP's responsibility, which is making sure that employers submit their annual reports by the June 1 deadline. CHRC is charged with enforcing all the other compliance requirements. The *Act* mandates the Minister of Labour to conduct research, provide labour market data, conduct public education programs, recognize outstanding achievement in EE; all to further the goals of the *Act*. The objective of LEEP is to promote, support, and enhance employment equity in the workforce covered under *the Act*, in order to achieve a fair and representative workforce.

The employer surveys indicate that LEEP firms are more reluctant than comparison firms to attribute the advances they have made in employment equity to the education, promotion, support, and monitoring of reporting requirement activities performed by LEEP. Yet LEEP employers regard themselves as highly knowledgeable of what the *Act* requires of them. As Section 6 of this report discusses, firms covered under LEEP have made greater advances than if they were not covered.

The majority of LEEP firms believe that if LEEP did not exist, the representation rates of designated group members would stay the same; a smaller proportion claim it would be lower. These findings are presented in Table 4-11 below. The vast majority of comparison firms indicated that if LEEP was available to their organization, the representation of designated group in their workforce would stay the same; with a much smaller percentage indicating that representation would be *higher*. Comparison employers are more likely than LEEP employers to believe that the designated groups' representation rates would stay the same in their organization, and that LEEP would benefit Aboriginal peoples and persons with disabilities more than the other groups. Similarly, LEEP firms are more likely to indicate that without LEEP, representation rates would be lower, especially for Aboriginal peoples and persons with disabilities. In other words, LEEP firms acknowledge to a greater extent than the comparison group that LEEP plays an important role in ensuring equity in the workplace for designated group members. This provides a measure of evidence that LEEP's mandate and objectives continue to be relevant.

Table 4-11								
Effects of LEEP Presence on Representation of Designated Groups								
	LEEP FIRMS (if LEEP did not exist)				COMPARISON FIRMS (if LEEP was available to them)			
	Women	Persons with Disabilities	Visible Minorities	Aboriginal Peoples	Women	Persons with Disabilities	Visible Minorities	Aboriginal Peoples
Lower	14.2%	25.3%	18.3%	24.1%	1.0%	1.1%	1.0%	0.0%
Same	82.4%	72.3%	78.1%	74.7%	93.1%	86.3%	91.8%	88.7%
Higher	3.5%	2.4%	3.7%	1.2%	5.9%	12.6%	7.2%	11.3%

Source: PwC Consulting, - LEEP Employer and Comparison Group Surveys

Also supporting the relevance of LEEP's mandate and objectives is the existence and greater preponderance of employment equity initiatives implemented by LEEP employers in comparison to those implemental by firms in the comparison group. Table 4-12 below contrasts the extent of EE activities implemented by LEEP and comparison group employers.

**Table 4-12
Employment Equity Initiatives Implemented**

	LEEP Employers		Comparison Employers	
	Number	Percent have undertaken the activity	Number	Percent have undertaken the activity
Reviewed your HR policies and practices	65	73.3%	47	43.1%
Maintained your Employment Equity records	80	89.9%	28	25.7%
Accommodated the needs of employees from the designated groups	54	60.7%	37	33.9%
Identified positive policies and practices as pertaining to Employment Equity	54	60.7%	29	26.6%
Conducted a Workforce Analysis	50	56.2%	24	22.0%
Monitored your Employment Equity plan	45	50.6%	28	25.7%
Established and maintained a relationship with organizations representing any of the four designated group members	44	49.4%	22	20.2%
Provided information on Employment Equity plan to your workforce	48	54.0%	18	16.5%
Set goals for new hires from the designated groups	39	43.8%	25	22.9%
Developed measures to eliminate barriers	36	40.5%	24	22.0%
Consulted with your workforce on the Employment Equity plan	39	43.8%	16	14.7%
Set goals for workforce representation from the designated groups	33	37.1%	17	15.6%
Developed training programs specifically designed to enhance the skills sets of designated groups	13	14.6%	26	23.9%
Set goals for promotions from the designated groups	23	25.8%	14	12.8%
Other	13	14.6%	6	5.5%

Source: PwC Consulting, - LEEP Employer and Comparison Group Surveys

The findings on employment equity initiatives implemented are interesting for several reasons. Developmental initiatives, such as skill specific training programs, were undertaken to a lesser degree by LEEP employers than they were by comparison group firms. These findings reflect the Program’s focus on monitoring and ensuring employer compliance with reporting and less attention paid to the LEEP mandated educational and promotional activities.

While a much larger proportion of LEEP firms implement EE activities than the comparison group. However, only two activities are consistently performed by the vast majority of LEEP firms: maintaining employment equity records (89.9%); and conducting reviews of HR policies and practices (73.3%).

In summary, the findings indicate that LEEP has maintained a solid focus on the reporting aspect of their mandate under the *Act*. Reporting and maintaining records on employment equity is highly important for tracking progress. While it has experienced a reduction in resources over the years, LEEP has maintained the integrity of its reporting process by implementing measures and systems that have made the process more efficient. However, LEEP's mandate to promote, support and enhance EE through employer support and education, has been met to a lesser degree. These latter activities are instrumental in addressing what the Program and the *Act* try to achieve: correct the disadvantage experienced by designated group members in the federally regulated private sector labour force.

The Program continues to be relevant because despite progress made by LEEP firms, the designated groups are still generally underrepresented in most of the firms covered by the *Act* as compared to their overall workforce availability. The mandate and objectives are still valid as LEEP firms are more likely to implement employment equity initiatives than employers not covered by the program; and anticipated demographic conditions will continue to require measures to break down employment barriers in order to bring greater fairness and equity to the workforce.

5. Delivery and Implementation Issues

This section presents the evaluation results from all lines of evidence as they pertain to the delivery and implementation of Legislated Employment Equity Program (LEEP). The findings are structured according to the research questions, which are presented in Table 1-1 in Section 1 of this report. This section provides evidence that the Program's structure does not allow it to be delivered to its potential.

HOW APPROPRIATE, EFFICIENT AND EFFECTIVE ARE THE PRESENT STRUCTURE, RESOURCE DISTRIBUTION, OPERATIONAL ARRANGEMENTS, AND SUPPORTS FOR THE PROGRAM?

LEEP's presence in the Labour Program has diminished over time. The number of staff in the Labour Program at National Headquarters (NHQ) involved with LEEP has decreased from a high of 15 to a low of 5 persons. LEEP is now situated in Labour Standards and Workplace Equity Directorate. The reorganization of the Program reportedly increased efficiency and brought down costs. While responsibility for operational policy functions were recently returned to Labour Standards and Workplace Equity Division, ongoing resources for these operational policy functions were not transferred to LEEP. Policy development continues to be highly important with economic and technology changes taking place. Understanding these forces is important for LEEP to be able to provide the most relevant and valuable services possible.

Under the umbrella of Labour Standards and Workplace Equity are other related programs, such as Pay Equity and the Federal Contractors Program (FCP). The nine regional LEEP managers and 18 regional Workplace Equity Officers (WEOs) divide their time between these programs. LEEP regional staff interviewed for this study consistently indicated that they can only devote a small percentage of their time to LEEP, and that their work is more reactive than proactive. For example, several WEOs indicated they have plans and ideas to enhance their communication and education efforts with employers, but no time to put them in place.

The present structure of the Program is such that NHQ staff identify and contact employers who are new to the Program, consolidate employers' reports and produce the Minister's Annual Reports, conduct research and develop tools for regional LEEP staff and employers. Regional staff work with employers to implement the Program. The role of the regional offices is central to the delivery of LEEP. The reporting structure (chain of command) complicates communications between NHQ and the regional staff who deliver the Program. Regional staff do not report to the NHQ Program staff; but to their own regional Directors or Regional Executive Heads (REH). Regional staff feel there is a lack of support from NHQ. In addition, delays in the response time for communications between NHQ and the regions can hamper front-line service delivery.

There is also inconsistent distribution of resources for LEEP across the regions. As expected, larger provinces, such as Ontario, have more than one WEO and may have a manager to whom WEOs report. Other provinces however, have only one WEO who reports to a Director or the REH. Yet again, other provinces have Manager or WEO positions that have been vacant for some time. Interviews with LEEP managers and staff in the regions reveal that they try to make do with the resources available to them. Several regional LEEP managers believe that the lack of resources (both financial and personnel) and inadequate support at the regional level make it hard to deliver the Program effectively and efficiently, and this in turn has a negative effect on the delivery of the Program. The lack of resources and support means that regional LEEP managers and staff are not able to conduct proper follow-up with employers. They would also like to gather information on the outcomes of employers' employment equity procedures to better understand what approaches are working. This information would in turn feed into a model for other employers to follow. However, resource constraints reduce efforts at gathering and distributing "what works" information.

LEEP/CHRC Relationship

Canadian Human Rights Commission's (CHRC) mandate to conduct employment equity audits of LEEP organizations is seen as both a highly effective approach and as problematic by LEEP managers and staff. CHRC's views are quite similar. Both LEEP staff and CHRC agree that there is a communications gap between the two organizations. On the one hand, LEEP managers and staff feel they should be kept informed of employer audit progress from the CHRC. CHRC, on the other hand, claims it must maintain their independence from the Program as a judicial organization and is not in a position to share this kind of information with LEEP staff. There is a perception by LEEP regional staff that CHRC's interpretation of the *Act* keeps changing and that the WEOs, in particular, are not kept informed of these changes. Both LEEP and CHRC staff feel that the other party should make more efforts to communicate better.

There is also a desire on both parts to enhance their communications to ensure employers receive consistent messages. It has been CHRC's experience that when they perform an audit of an employer, the employer believes they have all the information they need to complete their reports and comply with the *Act*, by virtue of having attended a workshop with LEEP representatives. CHRC however, claims that employers do not always receive the right information. This is especially an issue when employers believe they have followed all instructions, only to find that they are not passing the audit.

It is important to both LEEP and CHRC to provide the best possible assistance to employers to make sure they pass the audit and progress satisfactorily in their employment equity activities. Regional LEEP managers expressed a need to meet with representatives from NHQ and CHRC on a regular basis to hear about changes to policy, *Regulations*, interpretations of the *Act*, and other issues.

LEEP's relationship with an employer changes when the employer is being audited. Employers are less likely to contact WEOs during an audit and also afterwards, as they have by then established a relationship with the CHRC auditor. While CHRC auditors indicated that they encourage employers to contact the WEOs for any questions and concerns, many employers nevertheless seem to want to continue contacting the auditors. It was suggested this is perhaps because CHRC are the ones giving employers the "pass" on the "test".

It has been the experience of LEEP staff that employers do not understand the relationship or the distinction between CHRC and LEEP because CHRC and LEEP are both seen to be the government. Some regional LEEP managers and staff (three or four of those interviewed) feel there should be a common government front vis-à-vis the employer, and indicated that it may be worth thinking about consolidating LEEP and delivering it under CHRC. Others believe there should be a shared Annual Report for CHRC and LEEP.

Other suggestions for a more streamlined approach are for CHRC and LEEP to use the same software for workforce analyses and have a shared database to track employers that are common to both. Yet another suggestion to address these issues was joint training for both WEOs and auditors to make sure employers receive consistent messages. CHRC brought forth the idea of a secondment arrangement for WEOs and auditors as a way to align the organizations' approaches and enhance both parties' understanding of the other's role and processes.

The WEOs are central to the delivery and implementation of LEEP. They represent the face of LEEP. CHRC representatives feel that WEOs are perhaps not maximizing the potential of their positions. They also believe some of their shortcomings are a result of WEOs being spread too thin (having to "wear too many hats") and being expected to have expertise in too many areas.

In sum, in terms of NHQ and regional LEEP staff, the present structure of the Program can be improved upon. NHQ currently has little influence on regional operations as it is up to the regions to operationalize the directives given by NHQ. The weaknesses in resources and operational arrangements have a negative impact on the delivery and full implementation of the Program. These weaknesses hamper the WEOs, who are on the front-line of the Program, from fulfilling their mandate and in implementing the LEEP in a way that is also consistent with CHRC's mandate. Greater communication with CHRC is highly important to make sure employers get the same messages.

ARE THE SUPPORTS AND TOOLS USED IN THE PROGRAM (SUCH AS PROGRAM GUIDELINES, BROCHURES, SOFTWARE PACKAGES, DATA, CONSULTATIONS) USEFUL AND SUFFICIENT OR ADEQUATE?

The Human Resources Development Canada (HRDC) Website is a highly useful support tool for LEEP staff, as well as for employers, as it is an important channel for distributing research, guidelines, and employment equity related information. Providing materials electronically has been an important undertaking for NHQ over the last years, allowing the

Program to decrease the costs involved in printing and distribution. At the same time, interviewees cautioned that this tool is of limited use for those who cannot access it or view the documents. Not all employers have the software required to download or view posted documents and, once accessed, printing out documents is cumbersome and time consuming. The Website is often under construction (mainly as a result of updates for the site to conform to Government-On-Line goals and the Common Look and Feel), which prevents LEEP regional staff and employers from accessing the information when they need it. Other tools mentioned to be highly useful for LEEP staff were the operational policies, the *Act*, the Annual Reports, the training kit and the tools for employers, especially Employment Equity Computerized Reporting System (EECRS).

The Workplace Equity Officer software is not user-friendly according to WEOs. The software requires both upfront training and access to technical support. WEOs interviewed for this study expressed frustration with the system as it is fragile and often crashes, requiring the officer to re-input all lost data.

When asked what tools regional LEEP managers and staff would create to assist them in their job, a number of suggestions were made. These included: CD ROMs of pertinent employment equity and Program information required of employers; presentation slides on the Program and processes to be used for promotional/introductory employer consultations; a video presentation that depicts the advantages of workplace equity to use as a promotional tool; up-to-date information on the employment equity community (who, what, where); a charter listing the rights of employees and employers in the case of employment equity disputes, (e.g., definition of appropriate accommodation for persons with disabilities); generic letters from CEOs explaining employment equity and the benefits associated with diversity to take away the fear associated with employment equity; and an overview of the Legislation, (i.e., a Cole's Notes for Equity Legislation or Equity 101).

In terms of training related initiatives, LEEP staff suggested the following be established:

- Cross-training between WEOs and CHRC auditors; and
- E-learning tools for WEOs so they can refer back to issues on their own.

Other suggestions included:

- Setting up technical advisors for each region to better respond to WEO and employer enquiries;
- An interactive employment equity Website where one can ask questions and be answered;
- Tools to help employers make necessary accommodations for persons with disabilities and to help them understand how much accommodation is appropriate; and
- Financial assistance from Human Resources and Skills Development Canada (HRSDC) for employment equity initiatives employers can access to receive grants to enhance their employment equity efforts.

A number of these tools have already been developed and, in some cases, implemented. For example, there is an interactive Website in place where questions can be posed and answers received. An on-line WEO Forum has been developed to allow WEOs to discuss issues. This tool has been reported to be underutilized and there are efforts underway to explore alternative ways of promoting this forum. WEOs and managers receive monthly information packages on workplace equity to stay current in their knowledge of emerging and current trends. Other tools such as on-line training have been discussed, and a basic training manual has been piloted but is not implemented at this time.

It appears then, that there are a number of tools available to WEOs in their efforts to promote LEEP and to educate employers. Yet, WEOs are either not aware of them, or the tools are not found to sufficiently facilitate their work.

CHRC auditors indicated that they, too, have developed a number of highly useful tools that are available to employers and accessible to WEOs and other LEEP staff. CHRC claimed that LEEP staff do not use or promote these to employers, even if they know about them.

Survey results indicate that while LEEP employers find the Program’s supports and tools useful, they were divided as to the sufficiency of the tools and support. Further, only 15-16% of LEEP employers agreed that LEEP activities were efficient or effective (see Table 5-1 below).

Table 5-1 LEEP Delivery and Implementation Issues: Program Tools and Activities			
	LEEP Employers		
	Disagree %	No View %	Agree %
The supports and tools used in the Program (i.e., program guidelines, brochures, etc.) are useful	21%	24%	55%
The supports and tools used in the Program (i.e., program guidelines, brochures, etc.) are sufficient	39%	24%	37%
The program activities supporting employers’ employment equity efforts are efficient	41%	44%	15%
The program activities supporting employers’ employment equity efforts are effective	40%	44%	16%
Source: PwC Consulting, Employer Survey			

ARE IMPROVEMENTS OR MODIFICATIONS NEEDED TO THE EMPLOYER REPORTING PROCESS, INCLUDING THE NARRATIVE COMPONENT (CONTENT, FREQUENCY, OTHER)?

From the perspective of regional LEEP managers and staff, the employer reporting process is cumbersome, costly and time consuming for employers. They also indicated that there are not enough support tools to help employers complete the report properly.

Employers interviewed for this evaluation study mirrored this view. Some expressed a concern that the process is too lengthy, and that it is difficult to report on employment equity initiatives that do not fit with the reporting requirements. For example, some organizations operate with lateral promotions, while the reporting defines promotions to only include those instances when an employee moves up a level in the company's hierarchy. In other organizations there is no hierarchy, which means there are no promotions.

Employers struggling to comply with the reporting process often reported that they do not have staff dedicated to employment equity. This is especially the case for smaller organizations. The findings from interviews conducted with LEEP staff from NHQ and regional LEEP managers and staff indicated that the high turnover rates of human resources staff within the employer organizations was an area for concern. In some cases, there will be a different employee responsible for completing the report every year.

Another issue brought up by employers relates to the self-identification surveys. Employees complete these surveys voluntarily with the result that many surveys are not being completed. According to those interviewed, some employees choose not to indicate they belong to a designated group. This skews the results.

Representatives from CHRC and regional LEEP managers and staff expressed a concern that the narrative reports often do not reflect what is actually going on in the employers' workplace. It was suggested that Human Resources Development Canada (HRDC) verify this information to ensure it is accurate.

Employment Equity Computerized Reporting System (EECRS) has provided an opportunity to facilitate the reporting process and is regarded as a very useful tool. Employers and LEEP staff provided suggestions for improvements to streamline the reporting process further. For example, it was generally thought that EECRS should include a workforce analysis template to allow employers instant feedback on where they stand, and a functionality that would facilitate the importing of data from other sources. Some employers would like to see a tool for graphics incorporated. Others suggested that EECRS should retain the data from previous years so as not to have to re-input pieces of information that remain the same over time.

Nine of the ten employers interviewed for this study agreed the reporting process should continue to take place every year. This timing allows employers to see where they stand, as well as to consider the changes and be more proactive should something be amiss. In the words of one employer, "Of course it must be once a year. Otherwise, you don't know whether you're progressing or not." Employers also noted that they would welcome feedback from HRDC on their reports to have a better sense of how they did and what areas need improvement. Similarly, employers who were surveyed do not have a major issue with the frequency of reporting, although as Table 5-2 indicates, 64% of LEEP employers find the reporting process burdensome.

Table 5-2
LEEP Delivery and Implementation Issues: Reporting Process

	LEEP Employers		
	No	Don't Know	Yes
The frequency of the employer reporting process needs to be modified	35%	39%	26%
Complying with the Annual Reporting process is burdensome	15%	21%	64%
Source: PwC Consulting, Employer Survey			

In sum, the reporting process is regarded by employers as cumbersome, costly and time-consuming, but also highly useful. EECRS has helped the reporting process and is appreciated by employers who use it.

ARE IMPROVEMENTS OR MODIFICATIONS NEEDED TO THE PROGRAM'S ANNUAL REPORT?

LEEP staff, employers and others regard the Minister's (Program's) Annual Report as highly useful. For example, regional LEEP managers and staff feel the Annual Report is a great source of information on the legislated employers and use the report when educating and counselling employers. They also see it as a great tool to inform the general public.

At the same time, three to four of the regional LEEP managers and staff interviewed commented on the report's heavy focus on the numbers at the expense of "the whole picture". WEOs expressed a concern that the Annual Report is often filled with surprises for employers who thought they were doing well. This discourages employers, as the numbers are not always reflective of the situation as they see it.

There are strong opinions about the employer rating system which is published in the Minister's Annual Report. LEEP staff see the ratings as an important tool of public accountability to encourage employers to improve their designated group members' representation rates. Employers, and especially senior management, look to the ratings to see where their company stands in relation to the competition. Some employers interviewed indicated that the ratings give them a sense of where they stand and what to focus on in the following year. Some regional LEEP managers and staff believe the publicized rankings create healthy competition among employers and public scrutiny. Nevertheless, there are employers and LEEP managers and staff who argue that the ratings are arbitrary and unrelated to their perception of reality. Three of the ten employers interviewed expressed a concern that self-identification surveys may not yield accurate numbers of designated group members in an organization, and as a result, the ratings do not accurately reflect their workforce composition.

CHRC is also critical of the rating system as it may conflict with their audits. The methodologies and criteria used for these two assessments of an employer's employment equity activities are different, with the result that an employer who is rated "A" by HRDC

may, in fact, not pass CHRC’s audit. LEEP has attempted to address this in the Annual Report by describing the methodology used for arriving at a rating, as well as specifying that this rating in no way replaces CHRC’s audits.

Survey results (see Table 5-3) show that almost half of the employers perceive the Annual Report as useful for the purpose of monitoring their employment equity progress. As many as 60% of the employers do not know whether the rating system is fair and accurate, and of those who have an opinion, a smaller proportion is likely to say that it is fair and accurate. Finally, survey respondents with an opinion indicated a need to improve or modify the Annual Report and the narrative component of the employer reports.

Table 5-3			
LEEP Delivery and Implementation Issues: Annual Reports			
	LEEP Employers		
	No	Don't Know	Yes
The Annual Reports are useful to monitor our progress	27%	24%	49%
The rating system used in the Legislated Employment Equity Program Annual Report is fair and accurate	26%	59%	15%
Improvements or modifications are needed to the Annual Reports	8%	56%	36%
Improvements or modifications are needed to the narrative component of the employer reporting process	18%	44%	38%
Source: PwC Consulting, LEEP Employer Survey			

Based on interviews with regional LEEP managers and staff as well as employers and the CHRC, the following are suggestions for modifications to the Annual Report:

- The report should refer back to the *Act*;
- It should have an explanation to accompany the ratings (this explanation is, in fact, included in the Annual Reports);
- The report would be more useful if it included trends and explanations as to *why* the numbers are changing over time. It should not require additional information from employers as it is already a time consuming activity, but rather, HRDC should “do more” with the information they get.

In sum, the Annual Report is seen to be very useful to both employer and LEEP officials. However, the tool for “employer rating system” can be a source of confusion to employers when it conflicts with CHRC’s ratings. Enhanced communication with CHRC around the LEEP ratings may help in developing an approach that works for both parties.

ARE THERE STRUCTURAL SPECIFICATIONS IN THE EMPLOYMENT EQUITY LEGISLATION THAT FACILITATE OR MAY ACT AS AN IMPEDIMENT TO THE SUCCESSFUL IMPLEMENTATION OF THE PROGRAM?

The division between HRDC's role of promotion and education, and CHRC's role in conducting the compliance audits is considered by those interviewed as one of the structural strengths of the *Act*. However, CHRC focus group participants felt that it is still too early to determine whether this restructuring has had a significant impact on successful implementation. As mentioned earlier, the audits started only in 1997, and due to the length of time it takes to complete an audit, it is difficult to determine the impact that audits have had on the representation rates of designated groups. Interviews with employers, and the focus groups with advocacy groups and CHRC, indicate that employers may take employment equity more seriously now that it is perceived as a Human Rights issue.

A recurring comment from regional LEEP managers and staff was that the *Act* is not always clear and the *Regulations* are too lengthy and open to interpretation. Regional LEEP managers indicated that the compliance measures are inconsistent, resulting in frustration and disappointment among WEOs. They felt that the *Act* and *Regulations* do not provide a clear understanding of the expected representation of designated groups, nor definite timelines for compliance, nor when to use the allowed penalties. Regional staff would like to have more powers to enforce compliance than what they currently have.

It is possible that this point of view is a reflection of limited resources in that LEEP staff have many responsibilities and limited time to carry out all of their duties. With more enforcement powers, they feel they would be able to accomplish more results. However, LEEP staff at NHQ take the point of view that it pays off in the long-term to work in partnership with employers and arrange for extensions should employers not comply with the reporting requirements within the deadline. It is their experience that employers often have a good reason for not getting their report in on time, and LEEP staff are willing to make exceptions to continue the good will.

In short, the structural specifications in the legislation do facilitate the implementation of the Program in that LEEP can now impose penalties on employers who do not comply with the reporting requirements. This has assisted LEEP staff in more effective Program implementation. The structural specifications of the legislation have also acted as an impediment, in that there are elements in the regulations that are unclear to those in the field. However, the lack of adequate resources appears to be a greater issue than the legislation. It has been suggested that the legislation should place more emphasis on employer responsibility and proactive reporting.

As well, most interviewees felt the Program should be expanded to include companies with fewer than 100 employees, and that the composition of the "equity" groups should be broadened to include other groups.

IS THE PROGRAM UNDERTAKING APPROPRIATE AND ADEQUATE PROMOTIONAL, EDUCATIONAL AND RESEARCH ACTIVITIES IN FULFILLING ITS MANDATE? IF NOT, WHICH ACTIVITIES NEED TO BE STRENGTHENED?

It is clear that the Program needs to strengthen its educational and promotional activities. It is also clear that the success of the education and promotional activities in the regions is highly dependant on the WEOs' skills, availability and time to dedicate to new employers. Because the education and promotion efforts differ among regions, there are sometimes inconsistencies in the message being delivered to employers and designated groups. Also, interviews with academic experts, employers and the focus group with representatives from the designated groups showed that there is not enough time spent on promoting the business case for employment equity.

Survey results also indicate that LEEP employers would like to see LEEP's promotional, educational and research activities strengthened. As Table 5-4 below shows, 66% of employers would like to see educational activities strengthened, and 58% would like to see research activities strengthened.

Table 5-4			
LEEP Delivery and Implementation Issues: Adequacy of Program Activities			
	LEEP Employers		
	Disagree	No View	Agree
The promotional activities of the Employment Equity Program need to be strengthened	19%	23%	58%
The educational activities of the Employment Equity Program need to be strengthened	13%	21%	66%
The research activities of the Employment Equity Program need to be strengthened	13%	39%	48%
The administrative requirements of the Employment Equity Program hinder employment equity for my organization	26%	44%	30%
Source: PwC Consulting, LEEP Employer Survey			

The educational and promotional activities performed by the Program must also be better coordinated with CHRC's efforts. As mentioned earlier in this section, employers do not always receive consistent messages from LEEP and CHRC. This is highly frustrating for all parties. Streamlining the educational and promotional activities performed by both organizations is perhaps a first step. The costs involved for employers to comply with the legislation and build effective employment equity practices must be minimized to realize the full spectrum of benefits that employment equity can bring about. Making sure they receive the same messages prevents unnecessary costs for all parties.

Staff and employers interviewed appreciate the research activities performed by LEEP. Information related to good employment equity practices is seen as highly useful, and more of this sort of information was deemed desirable.

In sum, there are a number of delivery and implementation areas that need to be improved. LEEP's focus on reporting is important. To fully meet the objectives as stipulated in the *Act*, LEEP needs to continue to monitor and enforce compliance with the reporting requirements. At the same time, LEEP needs to focus more on the educational, promotional and research activities. This shift is necessary for LEEP to (a) better complement CHRC's mandate; and (b) to inform employers how employment equity can benefit them from a business point of view.

6. Results, Impacts and Effects

This section presents the evaluation results from all lines of evidence as they pertain to the results, impacts and effects of Legislated Employment Equity Program (LEEP). The findings are structured according to the evaluation study questions presented in Table 1-1 of this report. This section suggests that LEEP has had an impact on promoting, supporting and enhancing workplace equity in covered firms, and has helped to identify and reduce employment barriers against designated groups. However, even companies that have been covered under LEEP since the beginning have generally not achieved the level of overall workforce availability, indicating that there is a lot more work to be done.

HOW EFFECTIVE IS THE PROGRAM IN PROMOTING, SUPPORTING AND ENHANCING WORKPLACE EQUITY IN THE COVERED FIRMS?

Analysis of the LEEP administrative database based on employers' annual reports, shows that the availability/representation rates for each of the designated groups were higher in the total workforce than in the LEEP workforce throughout the entire period under study (i.e. 1987 to 1999). The one exception to this trend was the 1999 representation rate for members of visible minorities, which was slightly higher in the LEEP workforce than in the 1996 total workforce. While the representation rates were generally higher in the total workforce, the growth was lower than the rate of growth observed in the LEEP workforce for the two groups (women and members of visible minorities) in which data for multiple years was available for the total workforce.

Table 6-1 below compares the designated groups' representation rates in firms covered under LEEP, to their representation in the general workforce according to 1996 census data.

Table 6-1 Representation Rates for Designated Groups in LEEP Firms Compared to Their General Workforce Availability (Selected Years)				
	Women	Aboriginal Peoples	Persons with Disabilities	Visible Minorities
Workforce availability (1996)	46.50%	2.10%	6.30%	10.40%
LEEP 1987 representation rate	41.00%	0.70%	1.60%	5.00%
LEEP 1996 representation rate	44.80%	1.20%	2.70%	9.20%
LEEP 1999 representation rate	44.60%	1.50%	2.40%	10.50%
Source: Labour Program Administrative Data and Census Data (1996)				

The administrative data analysis reveals that the number of years an organization has been covered under LEEP is positively correlated with growth in representation of the designated groups over time.

- A visual inspection of the graphing (please see Figures 6-1 to 6-8) of the average representation rate by cohort (i.e. by the group of firms entering the LEEP program that year) suggests that the initial representation rates for each of the cohorts are independent of time; but the trajectory of the representation rate is upward-sloping with respect to time, particularly for Aboriginal peoples and members of visible minorities.
- Econometric analysis of the representation rate for each of the designated groups revealed a positive and significant relationship between the number of years that the employer was in the LEEP program, and the representation rate for the group.

The evaluation found higher representation rates for all designated groups were associated with longer participation of firms in the Program. This suggests that LEEP has had an impact on promoting, supporting and enhancing workplace equity in covered firms. The higher representation rates for designated group members among firms that have participated in the Program since the very beginning suggest that LEEP has had an impact which is greater than what they would have had on their own if they were outside the Program. The fact that each cohort had a higher representation rate starting point than the previous cohort is suggestive that employers are seeing benefits to employment equity before entering the Program, although these firms also go on to increase their representation rates afterwards.

HAS THE PROGRAM HELPED TO IDENTIFY AND REDUCE EMPLOYMENT BARRIERS AGAINST DESIGNATED GROUPS?

The fact that the representation rates of all designated groups have increased more in firms covered under LEEP than in the available workforce suggests that the Program has helped to identify and reduce employment barriers against designated groups. However, the fact that even companies that have been covered since the very beginning of the Program have generally not yet achieved the level of total workforce availability is an indication that the Program is still needed.

To reduce barriers in recruitment, some employers utilized outreach and partnering methods with external organizations representing the designated groups. As well, employers used more comprehensive and creative communications strategies internally to build awareness of diversity and to identify barriers.

Forty-three percent of LEEP employers agree that the Program has helped them to identify employment barriers faced by the designated groups. However, only 35% of LEEP employers see LEEP as having helped in *reducing* employment barriers. (see table 6-2)

More respondents indicate that the Program is *not* effective in promoting, enhancing, and supporting workplace equity than those that do. LEEP firms are reluctant to credit LEEP for their employment equity successes, but generally agree that the Program enforces the *Act* and ensures its implementation. The comparison companies' ratings were slightly more favorable towards a legislated employment equity program than the LEEP firms.

Table 6-2
Average Ratings by Employers on Results, Impacts and Effects

	LEEP Employers			Comparison Employers		
	Disagree	No View	Agree	Disagree	No View	Agree
The Legislated Employment Equity Program has had a positive effect on our human resource planning	29%	44%	27%	N/A	N/A	N/A
Employees at all levels in our organization are aware of our employment equity efforts	25%	30%	45%	25%	48%	28%
<i>The Legislated Employment Equity Program has helped in the identification of employment barriers facing designated groups in my organization</i>	28%	29%	43%	N/A	N/A	N/A
<i>The Legislated Employment Equity Program has helped in the reduction of employment barriers facing designated groups in my organization</i>	29%	36%	35%	N/A	N/A	N/A
The Legislated Employment Equity Program has reduced employment inequities faced by members of the designated groups	32%	44%	24%	17%	55%	28%
The Legislated Employment Equity Program is effective in promoting, supporting, and enhancing workplace equity	32%	41%	27%	21%	46%	37%
My company's employment equity efforts have been successful due in large part to the Legislated Employment Equity Program	44%	36%	15%	N/A	N/A	N/A
Changes in employment opportunities for the designated groups can be attributed to developing and implementing employment equity plans	34%	37%	29%	22%	50%	29%
The Labour Program (HRDC) ensures that the <i>Employment Equity Act</i> is both implemented and enforced	18%	33%	49%	7%	57%	36%
Source: PwC Consulting, LEEP Employer and Comparison Group Surveys						

These survey results may be a reflection of the delivery and implementation issues discussed in Section 5. If the employers see LEEP as a bureaucratic process and their contact with LEEP is primarily around reporting, it would explain why employers are reluctant to credit LEEP for helping reduce barriers. The results also speak to a need for enhanced employer education and support to assist them in implementing employment equity more fully.

HAS THE REPRESENTATION OF THE DESIGNATED GROUPS CHANGED IN THE COVERED PRIVATE FIRMS UNDER LEEP SINCE THE INTRODUCTION OF THE NEW ACT?

The analysis of rates of change in representation before and after the revision to the 1995 *Act* found that these rates of change were strongly negatively correlated. In other words, where the growth rate of a variable was particularly strong in the earlier period, it was significantly weaker (or negative) in the latter period. Conversely, where the growth was relatively weaker in the earlier period, it was stronger in the latter period. It is believed that a lengthening of the latter time period of study would enable more sound analysis. As a result, strong conclusions cannot be made by comparing the two periods ('87-'96 and '96-'99). Therefore, most of the analysis focuses on the entire period under study, i.e. from 1987-1999.

As illustrated in Table 6-3 below the representation rates for each of the designated groups in LEEP firms increased over the 1987 to 1999 period. Table 6-3 provides representation rates for each designated group in 1987, 1996 and 1999 as well as a cumulative annual growth rate (CAAGR) from 1987 to 1996, 1996 to 1999 and 1987 to 1999. In addition to representation rates in the general and LEEP workforces, the table also presents the representation rates for promotions and salary over time. The salary information includes both the individual designated groups as well as an average for all other LEEP employees as a comparison. A detailed discussion on representation follows the table.

	Total workforce	LEEP workforce	Full-time employees in LEEP	Promotions in LEEP workforce	Average salary of the designated group	Average Salary of the comparison group**
Year	% accounted for by the designated group					
	Women					Men
1987	44.4%	41.0%	37.5%	52.5%	\$24,684	\$35,532
1996	46.5%	44.8%	40.4%	56.0%	\$38,256	\$50,911
1999	n/a	44.6%	40.4%	53.8%	\$41,837	\$53,596
CAAGR (87-96)	0.5%	1.0%	0.8%	0.7%	5.0%	4.1%
CAAGR (96-99)		-0.1%	0.0%	-1.3%	3.0%	1.7%
CAAGR (87-99)		0.7%	0.6%	0.2%	4.5%	3.5%

Table 6-3 (continued)
Representation, Promotions, and Average Salary of the Designated Groups in LEEP firms

	Total workforce	LEEP workforce	Full-time employees in LEEP	Promotions in LEEP workforce	Average salary of the designated group	Average Salary of the comparison group**
Year	% accounted for by the designated group					
	Aboriginal peoples					All Other Employees
1987	n/a	0.7%	0.7%	0.6%	\$28,231	\$31,484
1996	2.1%	1.2%	1.2%	1.4%	\$39,267	\$45,881
1999	n/a	1.5%	1.4%	1.4%	\$42,663	\$48,939
CAAGR (87-96)		7.1%	6.4%	10.4%	3.7%	4.3%
CAAGR (96-99)		6.0%	7.4%	0.0%	2.8%	2.2%
CAAGR (87-99)		6.8%	6.6%	7.7%	3.5%	3.7%
	Persons with Disabilities					All Other Employees
1987	n/a	1.6%	1.6%	1.4%	\$30,991	\$31,470
1996	6.3%*	2.7%	2.7%	2.4%	\$44,634	\$45,837
1999	n/a	2.4%	2.5%	1.9%	\$47,369	\$48,887
CAAGR (87-96)		5.9%	5.7%	5.9%	4.1%	4.3%
CAAGR (96-99)		-3.5%	-2.3%	-7.7%	2.0%	2.2%
CAAGR (87-99)		3.5%	3.6%	2.3%	3.6%	3.7%
	Members of Visible Minorities					All Other Employees
1987	7.2%	5.0%	5.0%	6.8%	\$28,658	\$31,611
1996	10.4%	9.2%	9.1%	12.0%	\$42,313	\$46,153
1999	n/a	10.5%	10.4%	14.1%	\$45,145	\$49,277
CAAGR (87-96)	4.7%	6.9%	6.7%	6.4%	4.4%	4.3%
CAAGR (96-99)		4.3%	4.6%	5.5%	2.2%	2.2%
CAAGR (87-99)		6.3%	6.2%	6.2%	3.9%	3.8%
Notes: CAAGR is the cumulative average annual growth rate						
* The 1991 figure for Persons with Disabilities is based on the 1991 HALS survey						
** Average Salary refers to Full-Time employment						
Source: Labour Program Administrative Data and Census Data						

The rate of increase was strongest for Aboriginal peoples and members of visible minorities. The compound average annual rate of growth of representation was stronger in the 1987 to 1996 period than in the 1996 to 1999 period for each of the designated groups. (Note: this timing corresponds to structural changes in the LEEP administration as discussed in Chapter 5 regarding delivery issues). However, the latter time frame (1996-1999) is not believed to be sufficiently long enough to allow significant conclusions to be drawn regarding changes between the two time periods. Interestingly, the interviews conducted with LEEP staff from National Headquarters (NHQ) and regional LEEP managers and staff, academic experts, as well as representatives from Canadian Human Rights Commission (CHRC) revealed a different perception. Aboriginal peoples and persons with disabilities are perceived to have experienced slower progress than women and members of visible

minorities, possibly due to encountering more barriers after they had been hired. For Aboriginal peoples, this has resulted in low retention rates.

Examining the representation rates by employer size revealed that larger organizations (more than 500 employees) employed a larger proportion of women, persons with disabilities and visible minorities compared to smaller organizations. Smaller organizations (less than 500 employees) employed proportionately more Aboriginal People compared to larger organizations.

As mentioned above, the representation rates for each of the designated groups were higher in the total workforce than in the LEEP workforce throughout the entire period under study, with one notable exception: the representation rate for members of visible minorities was slightly higher in the 1999 LEEP workforce than in the overall workforce. The growth in the representation rates in the total available workforce was less than the rate of growth observed in the LEEP workforce particularly for members of visible minorities and women (the only groups for which multiple-years, total workforce data was available).

Promotions:

The promotion rates of each of the designated groups varied across the designated groups. In each year analyzed, women and members of visible minorities accounted for a greater share of promotions than their representation rate in the LEEP workforce. Aboriginal peoples were promoted in approximately the same proportion as their representation in the LEEP workforce. Persons with disabilities consistently had a lower rate of total promotions than their representation rate in the LEEP workforce.

In general, larger firms tend to promote a higher proportion of their employees annually than smaller firms. This is true for all employees and all designated groups and constant throughout the period under study. Larger firms promoted proportionally fewer persons with disabilities than other employees, while members of the other designated groups were promoted in about the same proportion as other employees.

Salaries:

Members of each of the designated groups earned a lower average salary than workers not belonging to that designated group. The wage gap was largest for women and smallest for persons with disabilities.¹⁰ Women achieved a higher growth in salaries than males over the 1987 to 1996 period, but a slightly lower rate of growth over the 1996 to 1999 period. Aboriginal peoples realized a lower rate of growth in salary over the 1987 to 1996 period, but a higher rate of growth over the 1996 to 1999 period compared to non-aboriginals. Persons with disabilities and members of visible minorities attained similar rates of growth in salaries relative to other employees over the entire period.

¹⁰ The salary data for persons with disabilities reflect the inclusion of a number of highly paid individuals who acquired disabilities through ageing or while on the job. Such circumstances also have an impact on the representation rates of persons with disabilities. Employers may show an increase in the number of employees with disabilities, not because they have been hired from the outside but because of demographic factors internal to the company.

However, caution is warranted once again in analyzing rates of growth over the 1996 to 1999 period, due to the short length of the period.

Based on the 1999 Annual Reports, larger organizations (more than 500 employees) provided higher compensation than smaller organizations to Aboriginal Peoples (\$42,585 vs. \$ 38,478), women (\$40,394 vs. \$38,237), and visible minorities members (\$44,049 vs. \$ 42,393). However, persons with disabilities working for smaller organizations (less than 500 employees) were compensated at a slightly higher rate compared to those working for larger organizations (\$47,434 vs. \$46,429).

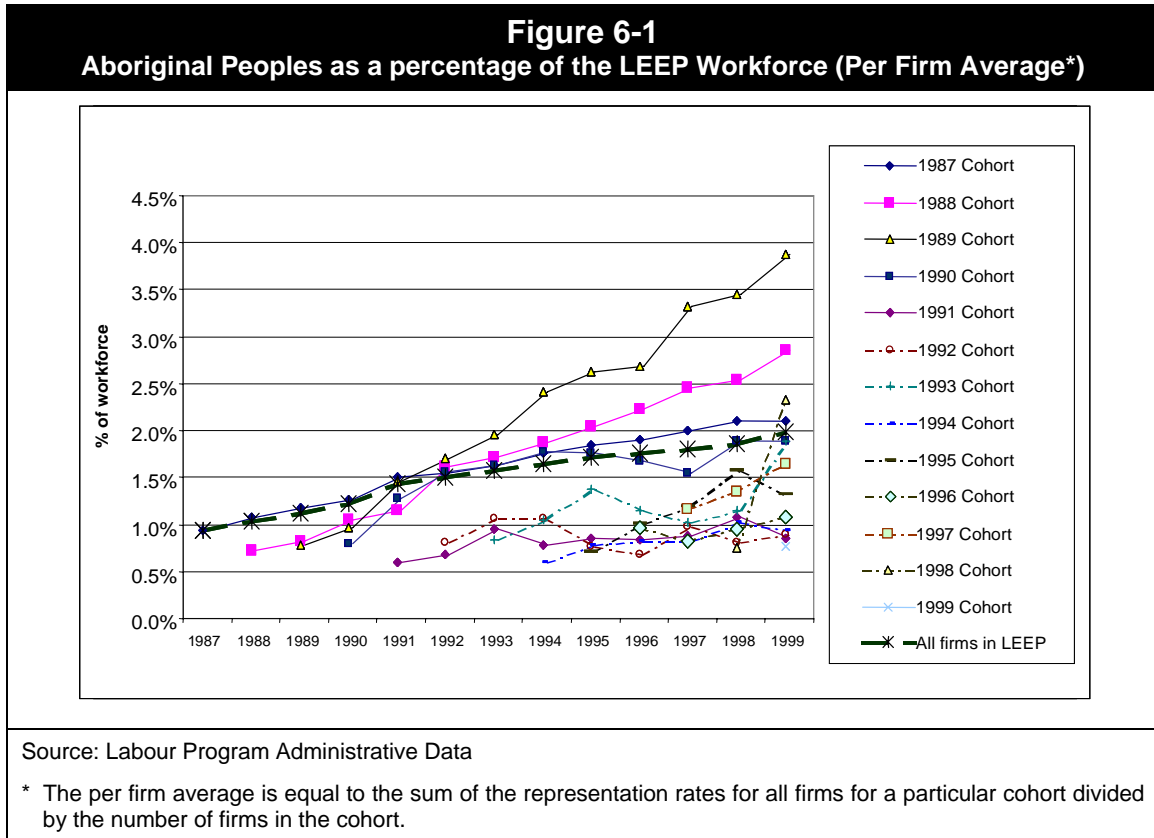
ARE THERE DIFFERENTIAL IMPACTS OBSERVED AMONG THE DESIGNATED GROUPS WITHIN COVERED FIRMS? IF YES, WHICH GROUPS ARE THE MAIN BENEFICIARIES?

As previously mentioned, interviews with LEEP staff, employers and advocacy groups indicated that, of the four designated groups, Aboriginal peoples and persons with disabilities have the farthest still to go to achieve equity, i.e. to match their availability in the general workforce. The analysis of the administrative data found this to be the case as well, although Aboriginal peoples' representation in LEEP firms has more than doubled during the 1987-99 time period.

Two factors suggest that the firm's presence in the Program may have contributed to this growth:

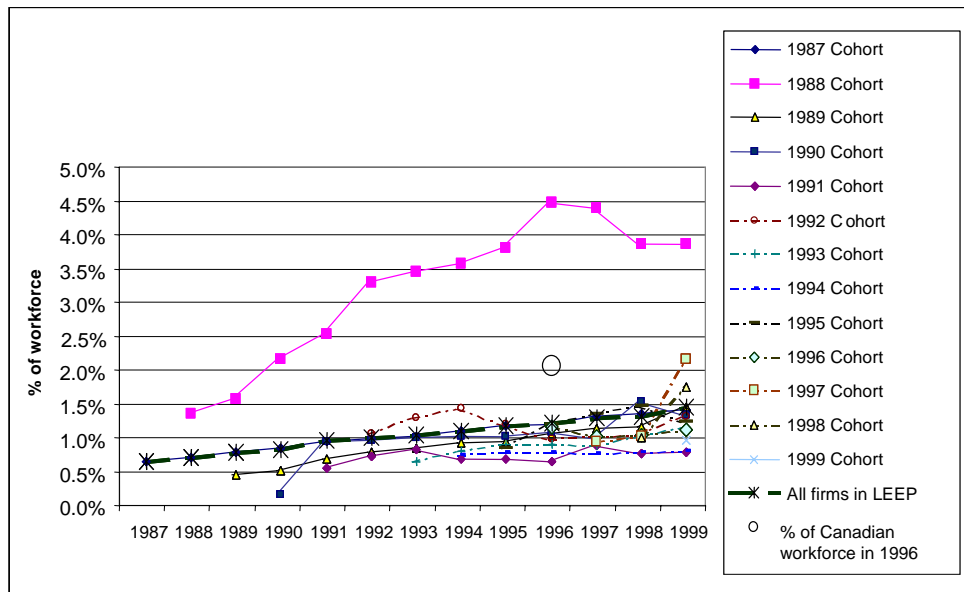
- Aboriginal employment representation is highest in the firms that have been in the program the longest. The 1987, 1988 and 1989 cohorts (i.e. each set of employers coming under LEEP each year) exhibited higher representation rates at the end of the period than the average firm;
- The starting points for each of the cohorts are approximately similar. If the growth were due to some other underlying factor, such as the growth in the population of Aboriginal peoples, the starting point would then be expected to be higher in each year.

Figure 6-1 below demonstrates the fact that the percentage of total employees that Aboriginal peoples accounted for in LEEP firms increased through time.



To understand how Aboriginal peoples covered by the LEEP program fare against the total population, a representation rate was calculated for each cohort of LEEP employees. In general, with the exception of the 1988 cohort, the representation rates for LEEP employers fell far short of the average representation rate of Aboriginal peoples in the total workforce (see Figure 6-2). However, Figure 6-2 does illustrate that the percentage of LEEP employees that are accounted for by Aboriginal peoples increased through time.

Figure 6-2
Aboriginal Peoples as a percentage of the LEEP Workforce (Cohort Mean Percent*)



Source: Labour Program Administrative Data

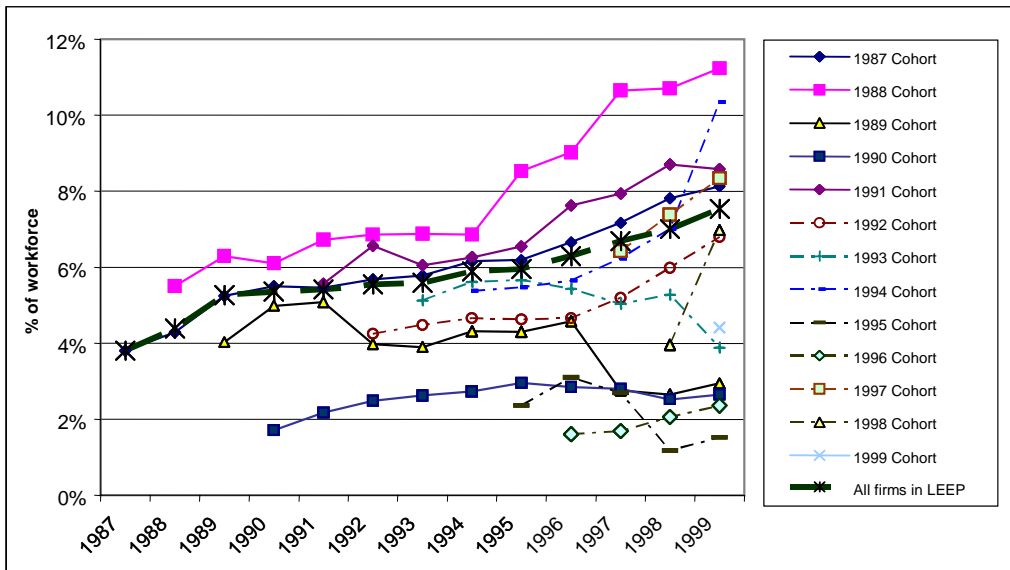
* The cohort mean percent is calculated as the total number of Aboriginal peoples employed in LEEP firms for a particular cohort year divided by the total employment in the LEEP firms of that cohort times 100%.

In the table above, the trend line for the 1988 cohort diverges from the trend lines for all other cohort years. The 1988 cohort of LEEP employers includes two large employers who employed large percentages of aboriginal employees in 1988 and both firms displayed significant increases in the percentage of Aboriginal peoples employed over a number of the years tracked.

- The same key indicators that were seen within the Aboriginal peoples population are observed for visible minority representation too, (Figure 6-3), suggesting that the firm's presence in the LEEP program contributed to this growth.
- Visible minority representation is highest in the firms that have been in the program the longest. The 1987 and 1988 cohorts all exhibited higher representation rates at the end of the period than the average for all firms.
- While the starting points for each of the cohorts vary widely, there is no clear upward trend. If the growth in representation rates were due to some other underlying factor, such as the growth in the population of visible minorities, the starting point would be expected to be higher in each year.

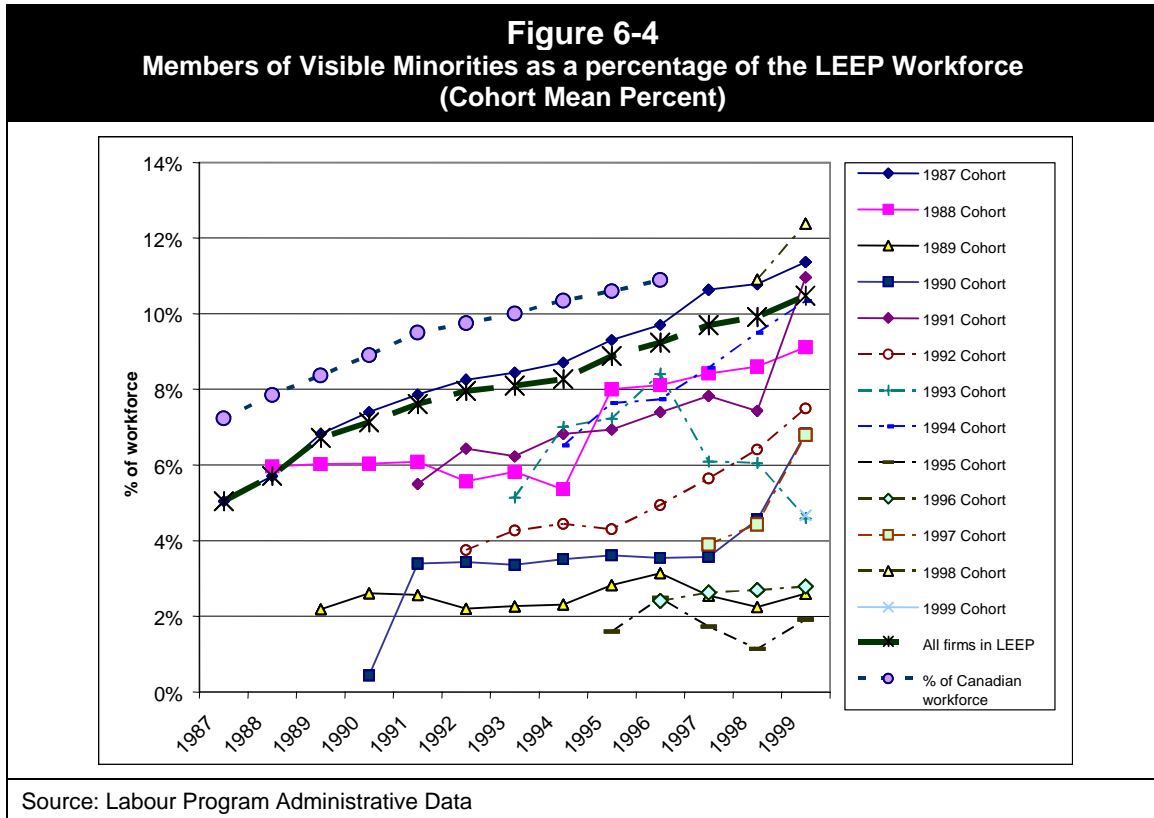
Examination of the average representation rate per LEEP firm by cohort for members of visible minorities (Figure 6-3) illustrates that the representation rate appears to have increased faster than the expansion of average LEEP employment, particularly in the latter half of the 1990s.

Figure 6-3
Members of Visible Minorities as a percentage of the LEEP Workforce
(Per Firm Average)



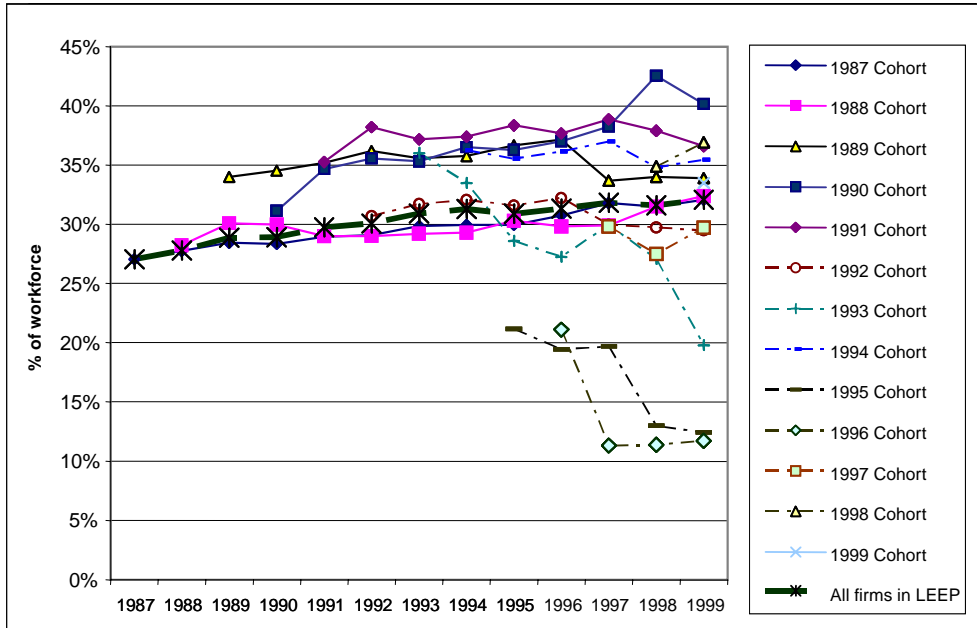
Source: Labour Program Administrative Data

Figure 6-4 below shows that the percentage of total employees accounted for by members of visible minorities for each cohort of LEEP employers has increased over time. Furthermore, it illustrates that this percentage grew largely due to the growth in employment of members of visible minorities *within each of the cohorts*.



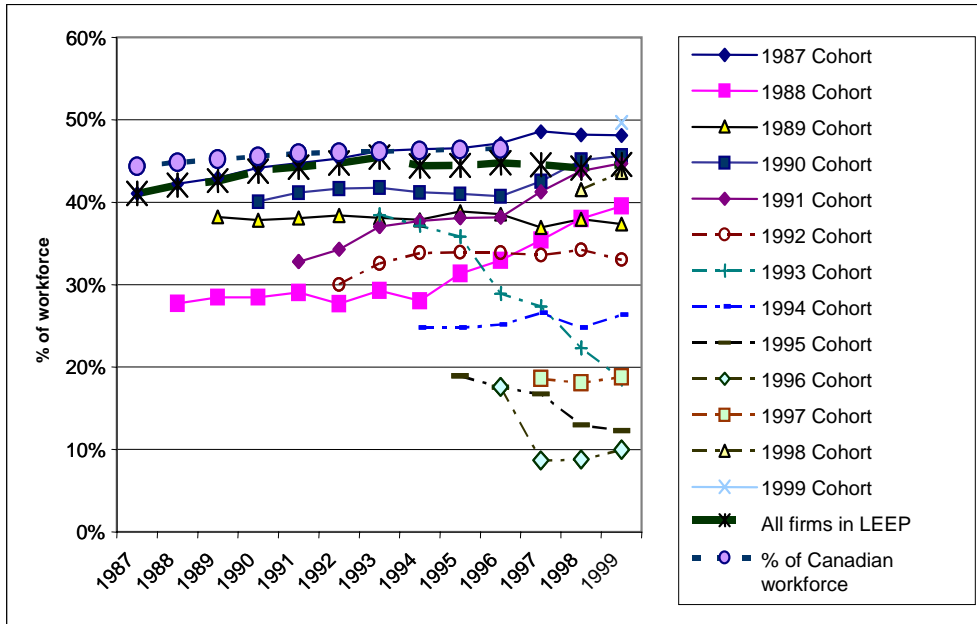
Changes in the representation rate through time have been much smaller for women than has been the case for the other designated groups (Figure 6-5). There does appear to be a slight upward trend in most of the cohorts. The increase over the entire period appears to be greater than the increase in the Canadian workforce although, when the data is recast showing the representation rate for all LEEP employers by cohort (Figure 6-6), the trend is flatter.

Figure 6-5
Women as a percentage of the LEEP Workforce (Per Firm Average)



Source: Labour Program Administrative Data

Figure 6-6
Women as a percentage of the LEEP Workforce (Cohort Mean Percent)



Source: Labour Program Administrative Data

Finally, there appears to be a slight growth in the representation rate of persons with disabilities in LEEP firms (see Figures 6-7 and 6-8). The trend by cohort appears to be either flat, or slightly increasing, in both the per firm average and the cohort mean percent numbers. Again, any increase in the representation rates of persons with disabilities may be a result of an ageing working population, and not the result of hiring from the outside.

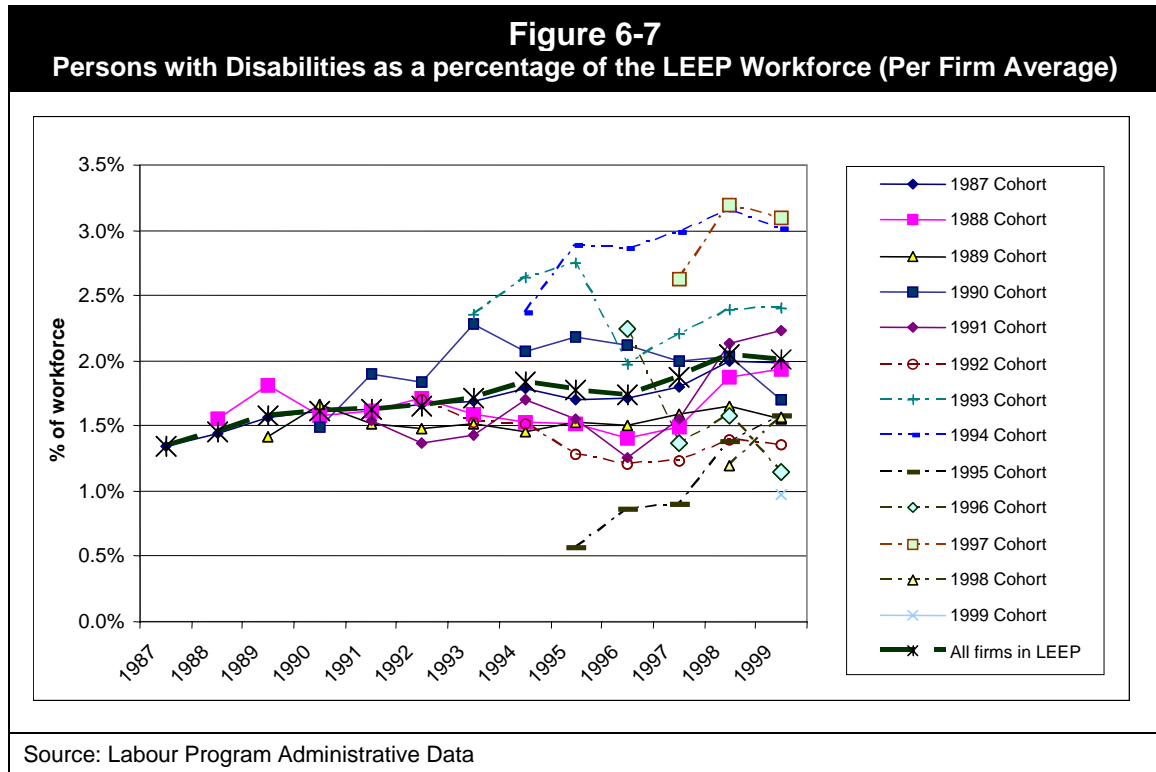
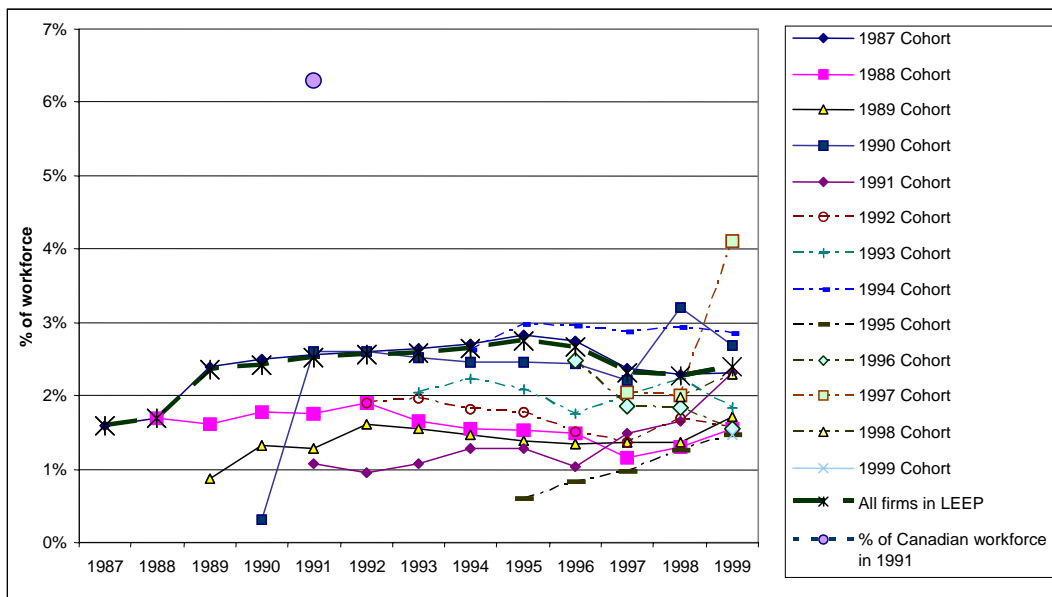


Figure 6-8
Persons with Disabilities as a percentage of the LEEP Workforce
(Mean Cohort Percent)



Source: Labour Program Administrative Data

There may be many reasons why persons with disabilities have made only small advances. Interviews with key informants and results from focus groups with advocacy organizations suggest that employers fear high accommodation costs, and costs of leave requirements. It is still unclear as to what is *reasonable accommodation*. Some employers are not properly educated about working with persons with disabilities and the benefits associated with having this group as members of their staff. Finally, there are jobs that are unsuited for persons with disabilities, but there are also times when employers do not step “out of the box” to develop ways to make the job accommodating.

As previously mentioned, a regression analysis of the administrative data was conducted. The following observations were made based on this analysis:

- Increases in provincial unemployment rates are associated with reductions in the representation rate in the case of Aboriginal peoples and women. In the case of members of visible minorities, unemployment rates are positively associated with the representation rate of members of visible minorities in the simple model, but negatively associated in the more complex GLM model that takes into account time, sectoral and regional factors (which suggests that the more simple model was picking up both time and unemployment effects from the unemployment variable).
- Smaller firms were more likely to increase their proportion of disabled people and Aboriginal peoples, while larger firms were more likely to increase their employment of members of visible minorities and women.

In summary, there have been differential impacts among the designated groups within covered firms. Aboriginal peoples have progressed significantly over time, although they still have ways to go to match their general workforce availability. The increase in the representation rate of persons with disabilities has also been substantial as per the administrative data analysis. However, the qualitative findings of the interviews conducted with LEEP NHQ staff, regional LEEP managers and staff, academic experts and representatives of the designated groups indicated that Aboriginal peoples and persons with disabilities are perceived to be the groups that have seen the slowest progress.

TO WHAT EXTENT CAN CHANGES IN EMPLOYMENT OPPORTUNITIES (HIRING, PROMOTION, TRAINING WAGES, SALARIES) FOR DESIGNATED GROUPS BE ATTRIBUTED TO THE EMPLOYERS DEVELOPING AND IMPLEMENTING EMPLOYMENT EQUITY PLANS?

The employer survey results showed that 56% of the participating firms covered under LEEP have employment equity plans in place compared with 28% comparison firms. The flip side of this is also interesting: as many as 44% of the LEEP firms surveyed do not have an employment equity plan in place. After some fifteen years of LEEP, this is a concern as an employment equity plan is one of the fundamental tools an employer has to improve the representation rates of the designated groups within their organization, and will use to foster an equitable workplace.

LEEP firms as well as comparison firms have a number of employment equity related programs in place. The two employer groups were asked to rate the effect that their employment equity programs have had on salaries, promotion, retention, and hiring of the designated groups on a scale of 1 (very negative) to 5 (very positive) (see Table 6-4). Interestingly, comparison firms were more likely to perceive their employment equity efforts having a greater effect on the salaries, promotion, retention and hiring of designated group members than LEEP firms. Half of the LEEP firms indicated that LEEP has had a positive effect on women in terms of hiring and training. For the other designated groups and for other equity issues (ie., salaries, promotion, etc.), more than two-thirds responded that LEEP had had no, or a negative, effect. Also, close to half the employers reported positive effects of LEEP on hiring for visible minorities (47%) and for Aboriginal peoples (42%).

Table 6-4
Perceived Effects of Employment Equity on Designated Groups

	LEEP Employers		Comparison Employers	
	No/ Negative Effect	Positive Effect	No/ Negative Effect	Positive Effect
Women				
Salaries	83%	17%	45%	55%
Promotion	67%	33%	44%	56%
Retention	78%	21%	46%	54%
Hiring	50%	50%	46%	54%
Training	50%	50%	45%	55%
Persons with Disabilities				
Salaries	90%	10%	85%	15%
Promotion	84%	16%	79%	21%
Retention	76%	24%	76%	24%
Hiring	67%	33%	60%	40%
Training	87%	13%	66%	34%
Visible Minorities				
Salaries	84%	16%	66%	34%
Promotion	74%	26%	63%	37%
Retention	72%	28%	60%	40%
Hiring	53%	47%	36%	64%
Training	82%	18%	54%	46%
Aboriginal Peoples				
Salaries	88%	12%	72%	23%
Promotion	82%	18%	74%	26%
Retention	79%	21%	77%	23%
Hiring	58%	42%	56%	44%
Training	85%	15%	63%	37%

Source: PwC Consulting, LEEP Employer and Comparison Group Surveys

IS THERE ANY EVIDENCE OF UNINTENDED PROGRAM EFFECTS (POSITIVE OR NEGATIVE) (E.G. ‘RADIATION’ OR ‘BACKLASH’)?

LEEP and the *Employment Equity Act* have had a number of positive effects that were not intended. Through the mandatory reporting by employers and the consolidated Annual Report tabled in Parliament by the Minister of Labour, employment equity initiatives lend themselves to greater public scrutiny and accountability. Key informants for this evaluation stressed that increased awareness of employment equity and related issues is a most important outcome of the Legislated Employment Equity Program. Interviewees (including provincial employment equity representatives, academics and employers) credit LEEP for having created a common language around employment equity. Furthermore, Canada is noted for its employment equity efforts both within our provinces as well as internationally. LEEP serves as a model for both Canadian provinces as well as other countries (e.g. South Africa).

In addition, several WEOs indicated they have seen evidence of the Program influencing other, non-legislated employers to “come up to speed” with the regulations of the Program, so that they could partner with legislated employers.

Employment equity initiatives do not only create positive workplaces for the designated group members when they are implemented appropriately; it is to the advantage of all employees. For example, transparent recruiting, hiring and promotion practices benefit all employees (and employers by preventing grievances and human rights complaints). Similarly, accommodation measures such as daycare facilities benefit not only women, but all parents. Wheelchair ramps also benefit those who need to access a facility with a stroller or carrying heavy boxes. Thus, addressing practices that are not equitable often will improve the conditions for *all* employees.

According to the Labour Program representatives interviewed, LEEP has enabled employers to take human resource planning more seriously. Benefits to employers include establishing good HR practices, employing a diverse workforce and having a larger pool of qualified employees. The Program has encouraged firms to review their internal operations, and employment equity initiatives are becoming more standardized. Employers can more readily realize business benefits by ensuring their workforce is reflective of their customer base. Some regional LEEP managers and staff feel the attitude among employers has improved and there is more energy, interest and leadership around employment equity within organizations.

Unintended negative effects from the Program were reported. These include claims of perceived reverse discrimination, that designated group members have an unfair advantage when it comes to hiring, promotions and salaries. Interviews with LEEP regional staff indicate that non-designated group members bring this complaint forth when employers attempt to recruit only staff that belong to a designated group.

Another unintended program effect is a type of a backlash from members of designated groups who claim that their contribution is not valued, and that promotions are not earned but given solely because they are members of a designated group. There is also a perception that identifying oneself as a designated group member may hurt their future career prospects.

Employment equity is often misunderstood. There has been a confusion between employment equity and Pay Equity. Employers often do not make the distinction, nor does the public. Employment equity is also sometimes seen as a quota system, as practiced in the United States.

7. *Lessons Learned and Good Practices*

This section of the report highlights some of the strategies and good practices implemented by employers under the Legislated Employment Equity Program (LEEP). Excerpts are taken from the narrative reports submitted by employers under LEEP, as well as from interviews with employers and union representatives to demonstrate the types of efforts Canadian employers are making towards implementing employment equity. The examples included are by no means exhaustive, but show the range of innovative solutions taken by employers.

7.1 **Creating an Inclusive Workplace**

Some barriers to inclusion are concrete and physical and most barriers are unintentional. Education about employment equity is a first step in countering barriers and changing behaviours. Creating a more inclusive culture is a fundamental exercise in change management that begins with direction from the most senior level, is integrated into the infrastructure and management practices, and is monitored for progress toward goals.¹¹ Employers are actively instituting diversity training and education tools to help transform the corporate culture to be more accepting and open to employment equity. Here are a few examples of what some employers are doing to foster a more inclusive work environment:

“Canadian Helicopters Limited (CHL)... has already started a program of awareness training for its managers across Canada, to give a basic understanding of true employment equity principles, and to address some of the unintentional barriers that exist (or have the potential to exist) in the company. Secondly, CHL plans to enhance its regular communications on employment equity with more frequent and practical information in small but regular doses to its managers and employees. Finally, CHL plans to add “compliance with the principles of employment equity” as a factor upon which performance bonuses and promotions are awarded.”

Diversity at Work, a 1/2-day awareness training workshop developed in 1997, was delivered to 800 Bell employees during 1998, with initial rollout focused on Carrier Services and the Direct Marketing Centres. This training is led by over 60 certified facilitators from Bell operational groups. These workshops help employees understand the concepts of Employment Equity and Diversity and the importance of Diversity as a business imperative, while revealing how perceptions can lead to the development of prejudice, stereotypes and, ultimately, barriers.

¹¹ Wright, Ruth. From Exclusion to Inclusion. Tapping the Talents of People with Disabilities. *Guide to Recruitment and Staffing*. Supplement to the *Canadian HR Reporter*. February 11, 2002. pp. G7 to G9.

7.2 The Creation of Employment Equity Committees

One of the ways in which employers are involving their employees in implementing employment equity is through the creation of employment equity committees. These committees are made up of a cross-section of employees, including members of designated groups, union, non-union and management representatives. The creation of such a committee fosters communication between senior management and employees. Communication is a key element in the enhancement of employment equity. Employment equity committees not only promote equity and help the employer to identify barriers within the organization that designated groups may face; they also create internal champions that are advocates for employment equity.

“As new employment systems, policies and practices are introduced [at Midland Transport Limited], the Employment Equity Committee will be given the opportunity to review the systems to ensure they do not create barriers for designated group members. The Employment Equity Coordinator will present the committee’s findings and recommendations to the Director of Human Resources.”

“[Standard Radio Inc.’s] Employment Equity Committee played a crucial role in conducting a complete employment systems review covering all company policies and practices. Their involvement brought valuable insight into the manner in which company policies are practiced. They were able to point out areas in which the Company excelled as well as areas in which improvements could be made by ensuring all barriers were removed.”

7.3 Determining Ways to Break the Glass Ceiling

The barrier for women is often not so much getting hired by a company, but rather in moving up through the ranks and benefiting from promotions and increased salaries. The Administrative Data Analysis shows that the ‘glass ceiling’ is still very apparent for women trying to break into senior management or higher paying positions in LEEP firms. Women occupied the majority of the positions in the lower salary ranges while men were heavily represented in the higher ranges. In fact, males occupied more than 80% of the positions with salaries above \$35,000 and close to 97% of the positions with salaries greater than \$70,000. Employers’ narrative reports show that they have begun involving female employees in the process of determining why the ‘glass ceiling’ is still there, and to develop measures that can be taken to eliminate it.

“Canada Post’s Management Executive Committee approved action plans to increase the representation of women within these occupational groups. In addition to numerical goals, some special measures were introduced to address the gaps. These plans included holding focus groups with women from senior management ranks to identify barriers to the progression of women within management ranks, as well as success stories and solutions to improve the representation of women at senior level positions.”

“The Bank of Nova Scotia’s Task Force on the Advancement of Women formed five subcommittees to ensure that the recommendations of the task force are implemented. The responsibilities of the subcommittees include ensuring action on the following initiatives:

- *Job posting and mobility;*
- *Skill inventory, succession planning and performance measurement;*
- *Management and leadership training programs, mentoring and hiring practices;*
- *Flexible work arrangements; and*
- *Communication and measurement of change.”*

“In June 1997, the [Hong Kong Bank of Canada] began a ‘Women in Management’ pilot project in Toronto. The purpose of this network is to encourage women at all levels of management to meet and discuss key issues regarding the successes and challenges they face in their careers as bankers.”

7.4 Removing Barriers to Workplace Accessibility

Workplace accessibility is a very real barrier for persons with disabilities. Workplace accessibility includes considerations beyond access to buildings. It also applies to the tools used and the routines performed in our daily work.¹² Although there are often costs associated with physical and work tools accommodation, many employers are making an effort to remove such barriers from their workplace environment.

“In 1999, [the Royal Bank of Canada] launched the “I make it Barrier Free” program designed to give managers “on-the-spot” authority to approve up to \$3,000 in accommodation expenses. As well, managers have access to a centralized accommodation database through our Human Resource Service Centre.”

“Canada Post has put much effort into its programs relating to recruiting and accommodating deaf and hard-of-hearing employees. Notably, in 1997, Canada Post held a national conference for these employees. Working from recommendations put forward at that conference, Canada Post developed a handbook to help supervisors work more effectively with deaf and hard-of-hearing employees. This employer has been able to hire a significant number of deaf and hard-of-hearing employees on a casual basis, and several have been able to move on to permanent jobs in the Corporation.”

¹² Wright, Ruth. From Exclusion to Inclusion. Tapping the Talents of People with Disabilities. *Guide to Recruitment and Staffing*. Supplement to the *Canadian HR Reporter*. February 11, 2002. pp. G7 to G9.

“[Bell Mobility] has developed a plan to conduct an evaluation of the physical barriers in its premises and measures to remove them over time. For those areas using the staffing process this will be addressed in the immediate future, other sites will be addressed [either when the premises] are built, leased or renovated or the date individuals requiring access related accommodation are hired into the workplace.”

7.5 Revamping Employment Systems

To ensure there are no barriers for members of designated groups in terms of employment systems, employers are reviewing their processes for recruitment, selection, retention and promotion. Many employers are taking innovative, proactive steps to attract and retain members of designated groups. Revamping employment systems helps employers integrate employment equity into their infrastructure and management practices, fostering a culture that supports an equitable workplace.

“[Algoma Central Marine (ACM)] continues to work closely with its three (3) unions and the non-union group to identify potential barriers to recruitment, selection, retention and promotion issues. One of the major constraints is the “historical” image the shipping industry has as a male-dominated workplace. We are working cooperatively beginning at the high school level to communicate to all groups that there are career opportunities available in the marine industry that pay above average, require higher levels of education and offer significant opportunities for advancement.”

“To address potential employment barriers, CHUM Limited maintains an ongoing review of job descriptions to ensure consistency and removal of unrelated job qualifications. CHUM Limited encourages its divisions to employ a two-tier interview process (department head and general manager) to ensure an objective assessment of employees. CHUM Limited maintains an annual pay equity review as well as a non-contributory comprehensive Benefit Plan for employees and salary continuation for employees that become disabled and cannot work due to a disability.”

“In December 1999, Enbridge Pipelines undertook an Employment Systems Review to examine all human resource policies and practices to determine if any barriers exist that prohibit the full participation of designated group members. The results of this review were provided in March 2000 and we are currently modifying the 2000-2003 Action Plan to reflect barriers discovered.”

7.6 Working to Attract Members of Designated Groups

For some employers, recruiting members of designated groups can be difficult. The geographic location of the company, as well as not being able to identify and recruit qualified persons from the designated groups who have the minimum qualifications or pertinent experience are cited as reasons. Some employers with highly skilled or specialized workforce requirements reported successes from working with post-secondary institutions, and even getting involved in customized training initiatives.¹³ Employers have developed innovative ways to increase their contact base and to target recruiting efforts at designated group members, especially Aboriginal peoples and persons with disabilities.

“Developed an Aboriginal Recruitment, Retention, and Promotion Strategy in order to recruit, retain and promote Aboriginal employees at FedEx Canada. We surveyed our existing Aboriginal employees to identify what FedEx excels at with regard to the employment of Aboriginal peoples, as well as any barriers to employment. The survey was developed in conjunction with the Alberta Native Friendship Association.”

“Our Manager, Human Resources [at ONtv Limited], attended a seminar entitled “Tapping the Talent of People with Disabilities”. At this seminar he made contacts with local agencies whose specialty is the placement of physically disabled persons plus contacts were made with an agency that provides in-house training on breaking down barriers of existing staff in their acceptance of working “side-by-side” with physically disabled persons.”

¹³ Wright, Ruth. From Exclusion to Inclusion, Tapping the Talents of People with Disabilities. *Guide to Recruitment and Staffing*. Supplement to the *Canadian HR Reporter*. February 11, 2002. pp. G7 to G9.

8. Conclusions

This section summarizes the major findings and overall conclusions of the Legislated Employment Equity Program (LEEP) evaluation.

RELEVANCE OF LEEP

The Program continues to be relevant, as most employers have not yet achieved the levels of representation for the designated groups that are found in the Canadian labour market.

The integrity of the LEEP reporting function is sound and efficient. A significant level of effort is directed toward activities that support compliance. Employers acknowledge that the reporting function is important, despite finding it burdensome.

Continued promotion and education about employment equity is highly relevant and fundamental to continued success. Greater emphasis and a specific focus aimed at employers are required to ensure that employers are fully embracing employment equity.

Delivery and Implementation of LEEP:

Employers receive less program support and assistance from LEEP resources than desired. Employers report being given inconsistent information and advice regarding program compliance requirements and do not always meet Canadian Human Rights Commission's (CHRC) audit criteria.

The current organizational structure challenges the effective management, implementation and delivery of the Program. Continuous resource reductions limit the capacity of LEEP regional staff to actively engage with employers or to provide required ongoing promotional, educational or networking assistance. Independent reporting relationships and a long chain of command create discontinuity in communication between the LEEP resources at headquarters and the Workplace Equity Officers (WEOs) in the regions.

Overall, the tools that currently exist and are known are considered to be useful. These include the LEEP website, annual reports and the training kit for employers. WEOs reported that the software they use in their capacity is not user-friendly, and requires up-front training and ongoing technical support. The Annual Report's 'employer rating system' is regarded as useful but its methodology is a controversial issue between LEEP and CHRC. CHRC indicated that this rating system provides conflicting information to employers regarding compliance standards and expectations, i.e.; receiving an "A" rating through LEEP does not guarantee an employer will comply with CHRC's audit criteria.

Results, Impacts and Effects of LEEP:

The evidence would indicate that the LEEP Program has had a positive impact overall on representation rates:

- The representation rates for the designated groups within the firms that have participated in the Program since the beginning are higher than those firms that came to the Program later;
- Representation rates for women employed in LEEP covered firms have increased consistently over time, and are now very close to the national labour force availability rates for women;
- Visible minority groups had a higher representation rate within LEEP covered firms than the national representation rate in 1996;
- Aboriginal peoples representation rate has increased significantly over time. However, of the four designated groups, Aboriginal peoples (and persons with disabilities) have the farthest to go to achieve equal representation rates; and
- Persons with disabilities appear to have experienced a slower representation rate increase over the same time period. Many employers fear the potential of high costs associated with employing persons with disabilities.

LEEP and unintended positive effects:

Through its very existence, LEEP has contributed to a greater awareness of employment equity initiatives across the Canadian landscape. Common language and process models are recognized globally as leading edge. LEEP is used as a model both in other countries as well as within our provinces.

Annual reporting has forced greater accountability in those employers covered by LEEP.

Employers view human resource planning more seriously, and are realizing the benefits of reflecting the demographics of their business base.

LEEP and unintended negative effects:

Some argue that the Program has created reverse discrimination as individuals from designated groups are perceived to have an unfair advantage.

There is evidence of a backlash from members of designated groups as some claim that their contributions are not valued; and other feel promotions are not earned but given to designated group members so that the employer “looks good”.

Members of designated groups do not always indicate their membership on self-identification surveys. There is anxiety that affiliation with a designated group will damage career prospects.

In conclusion, the evaluation findings to date provide evidence that LEEP has benefited the designated groups and many firms over the time it has been in operation. With additional activities in education and promotion of employment equity, the Program has the potential to have even greater impacts in the future.