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Workplace Practice and Diversity In Canada: Employment Policy in Global Modernity

Abstract

This paper argues that the major workplace inclusion strategies for accommodating diversity in Canada – including employment equity, affirmative action, pay equity, and diversity management – are part of a national development agenda that should be situated within a global dialogue on economics and pluralism, and this is a key to understanding and engaging sound employment policy and thus realizing social justice.

Introduction

Economic development literature indicates that today’s economies are becoming more globally integrated, yet invariably on highly skewed terms (Therborn, 2000; Dirlik, 2003; Munck, 2005). The degree of equality and inequality within and among nations is the main issue at stake when the future prospects and challenges of globalization are discussed. Workplace inclusion and decent work strategies are commonly theorized as a fundamental part of a global agenda for national development and modernization even under the new ‘financial crisis’ austerity, which many countries around the world are faced with in recent years. Thus the theoretical and practical question of global modernity is what sort of equality to pursue and for whom, and which legal and political institutions are the most appropriate vehicles for implementing inclusive social policy and thus realizing egalitarian justice (Jacobs, 2004).

The topic of sound employment policy now constitutes a global public policy dialogue framed by international agendas and conventions for managing inequality and accommodating pluralism.1 In this regard, global
modernity is characterized by cross-cutting market forces that are both universal and particular, associated with the pressures of economic interconnectedness and population hybridity (Dirlik, 2003). On the one hand, globalization presents different jurisdictions with different labour market challenges and problems, which are theorized through the particularity of national and cultural circumstances. Here, a feature of the global dialogue is premised on finding policy solutions that fit the jurisdiction where they are being applied; and there is no necessary convergence or similarity across countries, or a one-size-fits-all employment policy standard. On the other hand, in coping with the different labour market challenges caused by globalization, workplace inclusion instruments and other pluralist accommodations are also theorized in many developed and developing countries alike as central to the dynamism and synergy required for a productive economy.

This paper addresses the major inclusivity tools theorized by relevant social actors and agents in the discourses on employment relations in Canada, including employment equity, affirmative action, pay equity or comparable worth, and diversity management. It takes the position that relevant social actors have exercised social agency in the construction of this discourse. The worldwide dialectic of capital internationalization and population hybridization has placed a premium on workplace inclusion strategies that have been able to support both legal and discursive resources for marginalized groups; and provide a useful platform to contest resource inequality. The argument focuses on some important aspects of the major workplace inclusion instruments and steering tools in the Canadian context which have their roots in the contest between ethno-racial and feminist and dominant hegemonic cultural interests. This analysis can also be seen to illustrate Canada’s workplace environment of ‘competing equalities’; which is manifest in the contestation between ‘equal access’, and ‘access as equals’ claims of different social actors, and their trajectory in contemporary workplace integration hierarchies.

1 See – World of Work Report (2011). Also see the ILO’s Convention 111 on Discrimination Employment and Occupation (in 1958/2006); the Convention on Occupational Health and Safety (No. 155, 2007); the Declaration on Fundamental Principles and Rights at Work (1998); the ILO’s Employment Policy Convention, (No.122, 1964); together with other ILO Conventions and Recommendations.
Anti-Discrimination, Anti-Gender Bias and White Masculinity

Globalization has shaped the political opportunities and agendas of Canadian workplace stakeholders. For instance, the introduction of ethno-racial antidiscrimination as a formidable ‘workplace issue’ is a relatively recent development on the Canadian scene directly connected to global transnationalism. In addition, Canadian labour relations are also characterized by the longstanding gender equality struggle of the Canadian women’s movement, which has succeeded in making various forms of gender discrimination in the workplace into a contested territory (for examples, sexual harassment, occupational segregation, glass ceilings, etc). The antidiscrimination and women’s movements in Canada have focused on the national progress/prosperity goals of the state (given by economic globalization) as leverage politics against the status quo of White male privilege. In this respect, marginalized minorities and anti-gender bias interests have attempted to use global competition as a brokering partner for claims made on the Canadian state, and against the privilege of White masculinity in the workplace. But lacking any power resources or a strong institutional base has left them vulnerable to shifting political winds and to the reactionary recoil of conservative neo-liberal ideology. As a consequence, the interests of antidiscrimination and anti-gender bias are currently being reframed through a compromise of a generic ‘diversity project’ that is leading a retreat away from positive government intervention into economic and social regulation in civic life (Foster, 1998).

Since the 1980's, in addressing the right claims of ethno-racial minorities and women, the federal government, some provincial governments, and a number of private companies have implemented pay equity and employment equity and affirmative action policies, as pro-active strategies to purge exclusionary barriers in the labour market. Yet, from the beginning the mainstream public perception of an antidiscrimination and feminist agenda for employment policy was not positive, and resistance began to coalesce almost immediately into an increasingly assertive ‘opposition movement’ that formulated a generic compromise in the ‘diversity project’.

Conceptually, diversity and equity have some different value distinctions (openness vs. opportunity), goals (variety vs. representation) and approaches
(attitude change vs. systemic changes). They also share some similar mandates, such as broadening recruitment nets and accommodation. The intrinsic difference between diversity management and employment equity management is related to contrasts between a ‘difference inclusion system’ and a ‘barrier free system’ (Siu, 2011). As a result, the contemporary workplace continuously reverberates between perspectives on formal and substantive egalitarianism – as they relate to organizational differences in procedural equality, condition equality, and stakes equality. This trajectory of movements and counter-movements has contributed to a Canadian workplace environment of competing equalities – manifested in the tension between ‘equal access’ versus ‘access as equals’ regimes.

Those who advocated mainstreaming diversity today, tend to present it as a workplace equality strategy that is both non-race and non-gender specific, therefore fair treatment to any and all. However, the data indicated that the new directions in the workplace emphasize diversity only within certain bounds (Cowan, Huggett, and Parris, 2006). Canadian businesses tend to treat dominant cultural norms and standards of professional competence as the common denominator of the marketplace. The tendency to normalize the traditions and customs of the dominant White majority has the effect of nullifying the difference in culture-based perspective; which does not serve the state or society, but rather, the Whitestream power interests of the status quo. In this regard, even Canadian employers who believe in the ‘promise of diversity’ still often fail to actualize it, when they simply seek to hire employees with diverse backgrounds and wait for the payoff, rather than leveraging diversity by making sure differences truly count.

The associated ‘embracing difference narratives’ have come to dominate mainstream public discussion and have the effect of countering the long-standing ‘barrier-free narratives’ of ethno racial minorities and women’s groups; and thereby, are successfully positioned to clawed back some of the established gains of the anti-racism and feminist movements. The resulting environment in the Canadian workplace is one of often hotly contested equalities – formal against substantive, where the procedural fairness of diversity policies are reframing issues into ‘open access’ regimes, and retrenching the ‘discrimination reduction’ gains made by both those who advocate for fairness of conditions and fairness of outcomes.
The Inclusion Thesis and Canadian Models

Employment Equity (EE) and Affirmative Action (AA)

Affirmative action (AA) and employment equity (EE) programs are government initiatives that require employers to engage in proactive employment practices to increase the representation for historically disadvantaged groups. Both AA and EE share the goal of a workforce that reflects the pool of talent available in the labour market, and to ensure that no one is denied employment opportunities and benefits for reasons unrelated to ability. Employment equity legislation in Canada, like affirmative action legislation in the United States, are designed to help eliminate past and present discrimination by increasing opportunities to individuals and groups who have historically been excluded from full participation in and access to such areas as employment and education. The concept of employment equity, as with affirmative action, theorizes a barrier-free system of human resources management with a special focus on achieving equitable participation in the workplace by maintaining a workforce with fair representation of the community, and an accommodating and supportive environment for all employees. In this regard, employment equity, as with affirmative action, signifies a focus on the structural causes of economic inequality as well as on the outcomes, and is cognizant of macro-micro linkages. Therefore, employment equity, as so affirmative action, means more than treating people in the same way through procedural equality; it requires special measures and the accommodation of differences through stakes equality an equity initiatives that substantively change conditions and outcomes in the workplace.

The term ‘affirmative action’ was first used in the United States in the early 1960s in concurrence with the civil rights movement, and was formulated as a strategy to achieve non-discrimination in hiring without regard to race, religion and national origin. Originally, civil rights programs were enacted to help African Americans become full citizens of the United States. The (i) Thirteenth Amendment to the Constitution made slavery illegal; the (ii) Fourteenth Amendment guarantees equal protection under the law; the (iii) fifteenth amendment forbids racial discrimination in access to voting. The 1866 & 1964 (iv) Civil Rights Act guarantees every citizen “the same right to make and enforce contracts ... As is enjoyed by white citizens ... “
In 1967, the Johnson administration expanded the executive order to include affirmative action requirements to benefit women.

The term ‘employment equity’ was coined in Canada by Judge Rosalie Abella (1984) in a report issued by the Royal Commission entitled, *Equity in Employment*. The Abella Report became the foundation of the *Employment Equity Act* which came into force to replace affirmative action policies in Canada in 1986 (amended 1995). The purpose of the Act, as stated in the legislation itself, 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 in the same way but also requires special measures and the accommodation of differences.”

Affirmative action and employment equity strategies focus on ways to move marginalized minority groups into higher-paying jobs traditionally held by able White males, by eliminating the barriers to and the effects of discrimination, and fully open the competition for job opportunities to those who have been excluded historically. While both programs rely on numerical representation to measure progress toward power sharing, one difference between employment equity and affirmative action is related to the ‘targets’ versus ‘quotas’ distinction. Most versions of affirmative action incorporate some variation of a proportional representation method and quota system that must be achieved or the employer will face punitive consequences. In comparison, employment equity relies on flexible, rational targets (representation goals and timetables) that employers set themselves according to the reality of their business. Instead of quotas, Canadian employers are required to set targets for measuring progress in hiring workers from the designated and under-represented groups.

However, in many public narratives the program distinction between targets and quotas often goes unnoticed. Here, employment equity is seen

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as the Canadian articulation of a failed American policy. In this vision, employment equity and affirmative action are seen to be for all intents and purposes synonymous, and they are treated as different versions of the same thing. This guilt by association means that both are widely perceived to be overly focused on numbers and statistics, and so, violate principles of ‘merit’. Both AA and EE have increasingly become objects of derision that elicit claims about having to lower standards for racialized minorities, rendering their qualifications problematic across the board. Much of this public opposition to AA and EE is framed in terms of an indictment of ‘reverse discrimination’ and ‘unwarranted preferences’. This in turn is associated with a state of ‘rampant incompetence’ among minority professionals, and defined as an ‘attack on the standards’ of professionalism and society.

The defenders of affirmative action still hold that the playing field is not level yet – and that granting modest advantages to minorities and women is more than fair, given the hundreds of years of discrimination that benefited White males. In this connection, best practice agencies have found that requiring employment equity and affirmative action efforts through law, executive order, or other mandates compels agencies to establish serious goals and to make earnest efforts toward meeting those goals, and harnessing the talent potentials of their workforce. This is consistent with national productivity goals and economic competitiveness in a globalized world. However, a growing public backlash argues the battle to guarantee equal rights for all citizens has been fought and won, and favoring members of one group over another is anathema to common sense notions of freedom and democracy. Thus, as inclusion tools both AA and EE are now under ‘severe’ attack in many jurisdictions in both Canada and the United States, and there is a constant threat and public pressure to repeal any associated legislation.

Pay Equity and Comparable Worth

Pay equity in Canada is an associate discrimination-reduction legislation requiring that specific kinds of jobs be examined for determining (a) sex segregation, and (b) job value within workplaces. One way the comparable worth of different jobs can be determined is to compare the actual work of women’s and men’s jobs and see if there is a disparity in the salaries paid
for each. To do this, analysts break a job into components – such as the education, training, and skills required, the extent of responsibility for other’s work, and work conditions – and then allocate points for each. For pay equity to exist, men and women in occupations that receive the same number of points should be paid the same. In short, pay equity promotes the principle of equal pay for work of equal value (i.e., equality of conditions and equality of stakes).

Pay equity theorizes ‘equal pay for work of equal value’ to help mitigate the perpetuation of the undervaluing of women’s work within predominantly female jobs. Pay equity attempts to achieve equality for all with regards to wages, despite the common belief that it encourages discrimination between genders. An important aspect of pay equity is that: (1) males and females performing the exact same job must be compensated at the same rate, and (2) males and females performing similar jobs, that are comparable with regards to their over worth (in skill, effort, responsibility, and working conditions) are to be compensated at the same rate. Pay equity, or equal pay for equal work of equal value, is a legal remedy designed to address only one aspect of women’s unequal position in the labour force, namely, the undervaluing of women’s work in predominately female jobs. Pay equity aims to ensure that neither men nor women are discriminated against in the amount they are paid for doing traditional women’s work.

In comparison to pay equity, which addresses wage issues only, employment equity in Canada covers a range of employment issues such as recruitment, selection, training, development, and promotion. Employment equity also addresses issues pertaining to conditions of employment such as compensation, layoffs, and disciplinary action, and the like (ex., newer contract workers laid off first by seniority rules as issues for outcome-fairness consideration).

There are also strategic differences between pay equity and employment equity in a Canadian context. Pay equity is a strategy for creating job-classification schemes free of gender-bias, while employment equity is a strategy for eliminating systemic discrimination. Unlike pay equity, which is directed at improving the wages of those employees who work in traditionally female roles, employment equity is concerned with redistribution of individual workers among jobs. So pay equity attempts to ‘alleviate the wage gap in a
sex-segregated labour force’, while employment equity attempts to desegregate the labour force. Moreover, pay equity does not challenge the market determination of wages it challenges the failure of the market to apply the same criteria to White male-dominated and female-dominated jobs. For this reason, some feminists have rejected pay equity because it fails to confront the market directly.

Armstrong, Cornish and Millar (2003) argue that pay equity is an example of how feminist activists and others have used the law to transform social relations. Pay equity legislation has significantly improved wages for many women in a way no other approach has achieved. It has also encouraged many women to reassess their work, to examine the kinds of skill, effort, responsibilities, and working conditions involved in their jobs, and to demand recognition. It has reflected and promoted some power shifts within unions and workplaces and within society as a whole as women’s work was regarded in a new and more valued way. Moreover, it encouraged many women to reassess their work, to demand recognition, and to challenge some old hierarchies in workplaces and unions.

At the same time, pay equity has produced social contradictions as well. It has tended to increase differences in wages among women. Also, employers have become much more skilled at using the law to resist. Therefore, women’s victories have been undermined by new strategies such as contracting-out and a refusal to fund. More and more the ‘limited’ successes of some groups in working towards pay equity is defined as a problem solved – and there are demands to move on to ‘other issues’, as with affirmative action programming in the United States. Moreover, the failure to understand or promote pay equity has led in some instances to a reinforcement of old hierarchies and to too much focus on “legal processes, rather than strategies for change” (Armstrong, Cornish and Millar, 2003: 181).

**Diversity Management Model**

Shortly after the enactment of the federal *Employment Equity Act* in 1986, the concept of diversity management began to gain traction in an association with the theory of ‘the business case for diversity’. Diversity management advocates – counterpoised against the antiracism and feminist movements
– theorized the idea of a diversity inclusion system as a new business direction which had the potential for increasing productivity, expanding the customer base, increasing market share and maximizing profits. Moreover, they strategically presented diversity management as more inclusive than pay equity or affirmative action or employment equity management (which cover only specific designated groups). Out flanked by the diversity discourse, employment equity discourse has been increasingly surrounded with controversy, as has occurred with similar programs based on (affirmative action and barrier-free precepts) in the United States and other countries.

The diversity management theory now dominates the public narratives on employment policy in Canada. There is broad agreement across the political spectrum and corporate world that workforce diversity is smart business. Advocates argue that changing global and national demographics have made it an absolute business imperative to foster a diverse and inclusive workforce. Therefore, situating diversity through marketplace initiatives has the potential for increasing productivity, expanding customer base, increasing market share and maximizing profits. In the business case for diversity, embracing differences not only reflects the changing population, but can also improve productivity and morale in the workplace. The business case for diversity argues that workplace policies and strategies that truly engage our differences make good business sense, not only for ethical and legal reasons but also for the advantages they bring. These include a range of new and varied opportunities, such as strengthening corporate values, tackling manpower shortages, generating more creativeness and innovation, increasing motivation and with it, efficiency among their employees, and broadening the customer base. This has inspired the diversity management model as a new approach based on a range of industrial relations and human resource management practices directed to improving the flexibility and skills of the workforce, within an environment which emphasizes communication, cooperation and trust between managers, workers and their representatives.

The business case for diversity is not about correcting an old imbalance, being a good corporate citizen, or even about the law. It is about constructively using those things that make us different and unique, that reach far beyond generalized group descriptors. In this respect, corporate diversity is a reciprocal opportunity and challenge. Companies that employ
‘effective’ diversity strategies will find hidden talents and new perspectives when they attract employees from other cultures; and these hidden talents will enhance the organizational efficiency and productivity of the company.\(^3\) Employers that value diversity recognize the contributions that individuals from diverse groups can make to their organizations. The key for employers is to make diversity an asset within the organization by embracing different perspectives and not just numbers. Some business research suggests that thinking of diversity simply in terms of identity-group (numbers) is not the same as thinking of diversity which embraces work-related but culturally-based differences (perspectives). The difference between thinking of diversification of the workforce in terms of demographic variation and in terms of differentiated perspectives is crucial to the ability to attain the expected performance benefits and increase organizational effectiveness (Thomas and Ely, 1996).

However, to date diversity strategies in the Canadian corporate world have predominately sought to manage diversification in the workplace within the existing framework of corporate culture, and in the interests of the centre. In the Conference Board of Canada’s Report on Diversity, authors Cowan, Huggett, and Parris (2006) compiled inaugural benchmark data on diversity-related priorities, policies, practices and achievements in Canadian organizations. The report found that Canadian organizations say they value diversity but have not yet fully committed their policies, practices and resources to driving diversity to the core of their operations. The majority of Canadian organizations rank diversity as a priority, but 42 per cent of them have no strategic plan to foster it. Most organizations surveyed have yet to achieve basic representation rates that match or exceed Canadian labour force availability rates for the four diversity groups — Aboriginal people, members of visible minorities, persons with disabilities, and women — designated in the Employment Equity Act. Even though 80 per cent of the organizations surveyed fall under the Employment Equity Act, none of them meet the labour market availability of all four groups.

Abu-Laban and Gabriel (2006) note that the current managing diversity model is based on an economic rationalism, where workers of a firm or sector or even the entire workforce itself is constructed as a lever of global competition. There is a growing emphasis on the economic or potential economic contribution of individuals as the sum worth of a person. In their view, the construction or rendering of people as trade-enhancing commodities is a particularly superficial and narrowly conceived reading of diversity that fails to problematize structural inequalities that exist among groups of people. They conclude that the focus on economic rationalism is an attempt to sell a form of diversity that is basically a selling-out of an agenda based on pursuing substantive equality for those marginalized by race/ethnicity, gender, and class.

Other critics note that in Canada, diversity management has not been complementary to legal and regulatory structures. Affirmative action in the United States, and employment equity and pay equity in Canada are policy frameworks that have developed through the use of legislation, regulation and decisions by courts and administrative tribunals, as mechanisms for addressing discrimination in employment. Managing diversity, in contrast, is a voluntary initiative by corporate decision makers, at the level of the firm, in response to the growth of diversity in the workforce and marketplace. Some recent research asserts that diversity in this context “seeks these objectives through a program that promotes awareness of differences, empathy for those who are different”, and attitude change – often involving efforts to assist employees to identify and confront their stereotypes about persons whose characteristics differ from their own (Acogs and Burr, 1996: 38). In this view, the focus on managing diversity at the expense of more ‘aggressively systemic techniques’ like affirmative action, pay equity and employment equity raises the question of whether we are losing sight of the goals of the movements for gender and racial equality that have been central forces in American and Canadian societies for a generation. Diversity in this context silences discourse about discrimination and the responsibility of organizational decision makers to provide remedies. Rather than confronting systemic discrimination from a moral position, diversity management is primarily concerned with improving interpersonal and intergroup communication and relationships in the workplace. In so doing, it silences...
other discourse about discrimination and the responsibility of organizational
decision makers to provide remedies.

The new diversity movement is hailed by many as a positive change, in
which organizations voluntarily engage in a process of corporate cultural
transformation designed to eliminate any further forms of exclusion (Kersten,
2000). At the same time, this development coincides with a general change
in the political climate seeking to reverse many of the legal mandates of the
previous decades, achieved through the equity-seeking struggles of
marginalized workers, and often at great cost.

Conclusion

In the wake of the Global Financial Crisis which materialized in the last
quarter of 2008, regional labour markets remain potentially volatile and
unpredictable without comprehensive workplace integration strategies and
instruments directed to improving the flexibility and skills of the workforce;
increasing the emphasis on communication; and improving cooperation and
trust between managers, workers and their representatives. Moreover, the
embedding of an effective and reliable regime for worker’s employment
rights in both advanced and transitional market economies will also require
action in the areas of policy, institutions, and workplace practices and
associated capacity building. A re-examination of the roles of government
and the social partners and of the relevance and scope of employment laws
and other rules and practices will be necessary to acknowledge the realities
of a more decentralized workplace environment, and the need for the norms
of many national employment systems to move away from a regulatory, to
an increasingly facilitative, role, while still providing appropriate protections
for workers.

This paper charts the social construction and trajectory of some major
inclusion instruments and steering tools in the Canadian context – including
employment equity, affirmative action, pay equity or comparable worth, and
diversity management – that have their roots in the contest between ethno-
racial and feminist and dominant hegemonic cultural interests. Ethno-racial
antidiscrimination groups and feminist groups in Canada have used global
economic competitiveness goals as leverage politics against the Canadian
state in the pursuit of barrier free workplaces. Although workplace inclusivity
policies have promoted some redistribution resources within workplaces and within society as a whole, the resistance of White privilege as well as poor regulation and enforcement of the legislation have resulted in minimal progress toward a de-segregated and anti-discriminatory workforce. In addition, there is some indication that the capstone Canadian employment equity policy has had the effect of creating a divisive and competitive rivalry among racialized (racial?) minority groups and White feminism for a more favored position in unstable labour markets. The forces of White masculinity in the Canadian corporate world have to some extent been able to use the workplace polarization and tension between racial- and gender-equality interests against each other, and as a tactical device for occupational closure and controlled access to professional practice. The new diversity management model prioritizes benefits of a diverse workforce, such as increasing global competitiveness, increasing the available talent pool and increasing an organization’s innovative capabilities. However, it is questionable whether the co-modification of diversity can adequately deal with the issue of race, class and gender. Situating diversity through marketplace initiatives fails to problematize structural inequalities that exist between groups of people. As a result, the Canadian workplace is presently characterized by an environment of competing equalities which are manifest in the contestation between ‘equal access’ on the one hand, and ‘access as equals’ on the other – reproducing workplace integration hierarchies that require further interrogation.

The topic of sound industrial and employment relations now constitute a global public policy dialogue framed by workplace inclusion and decent work strategies, aimed at managing international resource inequality and accommodating world population growth and pluralism. It is our hope that Canadian students of globalization and political economy will find this reflection a helpful introduction to the debate on economic policy and good governance, inspiring them to further interrogate political economy and change Canada in progressive directions.
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