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THE HONOURABLE GILDAS L. MOLGAT
SPEAKER

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THE SENATE

Wednesday, February 5, 1997

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

SENATOR'S STATEMENT

EMPLOYMENT INSURANCE

EFFECT OF PROGRAM ON NEW BRUNSWICK

Hon. Brenda M. Robertson: Honourable senators, over the past few weeks many New Brunswickers have approached me about flaws in the new Employment Insurance program. In fact, I have received calls from both workers and employers. Their message was the same. Basically, it was, "I told you so!"

Honourable senators, the feeling persists, particularly among workers in our seasonal industries, that the federal government has singled them out because, for some reason, they are seen as abusers. They are not abusers. Workers who are compelled to collect employment insurance for two or three months make a much larger contribution to the New Brunswick economy than ministers of government want to believe. The fact is that people who work in seasonal jobs allow hundreds of other New Brunswickers to work year-round at good wages in our mills and at other employment. That is the nature of the New Brunswick economy.

Honourable senators, the victims of structural unemployment are already receiving lower benefits under the new Employment Insurance program. We now find out that the new program is discouraging work because, in determining benefits, the new system is counting weeks when a few hours were worked. This is completely unfair to our seasonal workforce. It means that workers who want to pick up a few extra hours will be penalized because their benefits will be reduced. It is also unfair to employers because of the possibility that employees will be discouraged from accepting casual work. We have found that this practice is widespread throughout the region.

That situation is in stark contrast with the statement of the Minister of Human Resources Development, who said that employment insurance has one overriding goal — getting Canadians back to work as quickly as possible. The minister's promise of yesterday that he will fix the problem will not convince many of New Brunswick's seasonal workers that the minister really means what he says.

QUESTION PERIOD

HERITAGE

CUTS TO FUNDING OF CANADIAN BROADCASTING CORPORATION—ABROGATION OF ELECTION PROMISE—GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, my question is addressed to the Leader of the Government in the Senate. It has to do with CBC funding and the Liberal promises to trash the GST and save the CBC.

I am asking this question on behalf of Margaret Atwood, Pierre Burton, the Bare Naked Ladies' Steven Page, singer Sylvia Tyson and other Canadian artists who gathered at the Royal York Hotel on Monday. At that time, Margaret Atwood said:

Your 1993 Red Book promised to protect and stabilize the CBC...We believed you. Was our trust misplaced?

That is my question, too, honourable senators.

Hon. Joyce Fairbairn (Leader of the Government in the Senate): Honourable senators, on the question of the CBC, I certainly appreciate the feelings that have been expressed. My honourable friend knows, as I suppose does everyone in the country, that in its efforts to reduce the deficit in a meaningful way, the government has had to make some extremely tough and unpleasant decisions. One of these was a reduction in longer-term funding for the CBC.

Senator Lynch-Staunton: Is that in the Red Book?

Senator Fairbairn: I tell honourable senators that as a fact.

As honourable senators know, the Minister of Canadian Heritage tried to mitigate some of the stress which this decision caused through the introduction some months ago of the production fund. The answer is not an easy one. I underline with great sincerity the confidence and the support that this government has in the CBC and its ability to manage its resources in both television and radio in a way that will fulfil the demands of the public.

• (1340)

The reduction in funds has been gradual over a period of years, and that reduction has been made with much pain and regret on the part of the government, as have all of the cuts that have been initiated in a systematic effort to reduce our deficit. It is through the reduction of the deficit and the stabilization of our economy that we will be in a position to support the services that Canadians find important — indeed necessary — in their lives. The CBC is a very important service. I can say, on behalf of the government and myself, that I support its continued success with great sincerity and affection.

Senator Stratton: Honourable senators, Ms Atwood asks a second question:

Was your Red Book promise a cynical election ploy?

I would imagine that the cynicism of the people of Canada in response to what has happened over the last two months is evidence of just what they think of the Red Book.

Have the funding cuts to the CBC stopped, and will there be stable funding for that corporation in the future? Has that question been asked? If it has not, I would like to put it to you. I think the CBC deserves to know where it stands.

Senator Fairbairn: Honourable senators, as to the first question about whether the Red Book commitment was simply an election ploy, the answer to that is no. When the government took office, it was faced with the overwhelming responsibility of tackling the deficit, and in the course of working out its response to that responsibility, there were changes that had to be made. The reduction to the funding of the CBC was one of those changes.

As to the budget reduction figures that the honourable senator mentions, to the best of my knowledge that is the case, and I am not aware of any further changes to those figures.

EMPLOYMENT INSURANCE

EFFECT OF PROGRAM ON BENEFITS TO WORKERS— ESTABLISHMENT OF TEAM TO RESPOND TO PROBLEMS— GOVERNMENT POSITION

Hon. Brenda M. Robertson: Honourable senators, flaws are emerging in the new Employment Insurance system, and my concern is that there will not be a speedy response to that situation under the Canada Employment Insurance Commission monitoring system. Under that system, as you know, in 1997 officials are required to report annually to the minister on how individuals are adjusting. In view of complaints that the program is already discouraging workers from taking casual work because, in the long run, such action will be detrimental to their benefit situation, I would ask the minister to provide some assurances that the government will put in place a rapid response system to deal with these injustices. When I say “rapid response system,” I mean a response system other than the actions of the three Liberal MPs who are scrambling about in a last-minute effort before the election to save face for the government in this regard.

My question to the Leader of the Government in the Senate is: Will the government put together a proper response team?

Hon. Joyce Fairbairn (Leader of the Government in the Senate): Honourable senators, I take the honourable senator’s question very seriously. Obviously, the fundamental principle of

employment insurance is putting people back to work, not discouraging them from doing so.

On the question the senator raised, the government is very much aware of what appears to be a very unfortunate “glitch” in the system — I believe that is the word that is being used. It is the intention of the government to deal with that situation as quickly as possible.

The action taken by the government in this regard was in response to a number of voices raised on both sides of this house, and in the other place. All of those voices have been very loud on this issue. Three government members of Parliament were asked to take hold of this issue immediately, and try to deal with it as quickly as possible, but in an informed way. Those three are the members of Parliament for Halifax West, for Fredericton—York—Sunbury and for Malpeque. These people are not inexperienced on this issue.

I can assure my honourable friend that this issue is something which concerns the Prime Minister, and it certainly concerns the Minister of Human Resources Development. Certainly, the will is there, and I hope the speed in dealing with this matter will be there as well.

Senator Robertson: My supplementary question is in two parts: I would ask the Leader of the Government to advise this house whether the minister concerned will consider inviting additional MPs from other parties to join this advisory group. That would certainly help convince unemployed workers that this is not just “politics as usual,” which is what it seems to be at the moment. I know that you have referred to three honourable gentlemen from Atlantic Canada, but I would feel much more comfortable, as I am sure would unemployed workers, if someone other than just three Liberals were involved in trying to solve this problem. So far, the solutions have not been very good.

I should also like to know if the advisory group will be holding public hearings in the affected areas of the country, particularly in the Atlantic region. Will the minister let us know when the advisory group’s recommendations will be ready? How long will we have to wait?

Senator Fairbairn: Honourable senators, as to the question of public hearings, I will obtain that information for my honourable friend, as well as the date and the time line for the mandate of this group.

The honourable senator wants to know if members from other parties will be invited. I will ask that question. However, I again want to underline to the honourable senator that, since this situation has come to light, the response has been quick, and I am sure that the individuals who were chosen will do a quick and competent job.

• (1340)

I will forward the honourable senator’s questions and obtain answers for her.

COMMUNICATIONS

STATUS OF FUNDING FOR RADIO CANADA INTERNATIONAL— GOVERNMENT POSITION

Hon. Finlay MacDonald: Honourable senators, I know the government leader in the Senate was as delighted as I, and many other senators, when we heard that the Minister of Foreign Affairs had apparently found some money to keep Radio Canada International alive. I am sure there would have been a news release to that effect, but I may have missed it.

Could the Leader of the Government in the Senate find out for me how much money was set aside for RCI, for what period of time, and where the money was found?

Hon. Joyce Fairbairn (Leader of the Government in the Senate): Honourable senators, I believe I have signed a written answer in that respect, but I will check that, and if that answer is not satisfactory, I will go back to the source.

Senator MacDonald: The question was not asked by me. I am sorry, I must have missed the response.

Senator Fairbairn: I do not believe it was.

HERITAGE

MINISTERIAL SOURCE OF POLICY ON CULTURAL ISSUES— GOVERNMENT POSITION

Hon. Lowell Murray: Honourable senators, will the Leader of the Government say who speaks for the government on matters of cultural policy? Is it Mr. Eggleton or Ms Copps?

Hon. Joyce Fairbairn (Leader of the Government in the Senate): Honourable senators, the Minister of Canadian Heritage, of course, speaks for the Canadian government on these matters, and does so with the complete cooperation of other colleagues, including, in particular, the Minister of International Trade.

The Minister of International Trade indicated the changes in technology and climate in this area of responsibility in his remarks the other day. He is also working closely with the Minister of Canadian Heritage to ensure that Canada continues to have a vital cultural sector that will enrich this country and supply cultural expertise abroad as well. There is no difference of view between the two ministers. The two ministers are working very closely together for a common objective.

• (1350)

EFFICACY OF CULTURAL EXEMPTIONS EMBODIED IN NORTH AMERICAN FREE TRADE AGREEMENT—GOVERNMENT POSITION

Hon. Lowell Murray: Honourable senators, this I must see—two ministers working together for a common objective. The

discomfort of Minister Copps on this matter has been palpable. Mr. Eggleton has sent the worst possible signal to everyone, foreigners and Canadians, with regard to Canadian cultural policy by his ill-timed and ill-advised remarks. His remarks have had the effect of putting the whole range of cultural policies up for grabs.

Let me be very specific: Is it the position of the government with regard to trade policy and cultural policy that the exemptions in the Free Trade Agreement with the United States and the NAFTA agreement are inadequate, the latter of which was signed by my honourable friend's government?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, so that I can give my honourable friend a clear answer, I will take that question as notice and obtain a specific response from the minister. However, I have to go back to his earlier comments and the comments I made to him. If the interpretation of remarks made by the Minister of International Trade has caused the consternation that the honourable senator indicates, there is no need for that consternation. Each of the two ministers has said that they are working closely together. The question is not whether we should support Canadian culture; rather, it is how best we can do it and do it together. That is precisely what they are doing, with the support of all their colleagues.

Senator Murray: Will Mr. Eggleton also be present at the round-table discussion which Ms Copps has convened with some of the leaders of the Canadian cultural industries?

Senator Fairbairn: That, honourable senators, I cannot answer. I would be delighted to find out. I can assure my honourable friend, however, that whether or not Mr. Eggleton is there, he is fully supportive of this meeting and very anxious that it have a positive impact in the area of government action.

My honourable friend knows that this is not the most difficult area. As we get into the international trading patterns and the new technology, it seems that every day brings another major challenge and difficulty. However, both ministers feel that we must work together closely with the cultural sector of this country and with a full knowledge of international challenges so that we can give the very best support to what we believe is the finest cultural identity in the world. There are great opportunities for us to exploit that identity outside Canada, which require close cooperation between ministers, and that is what is happening. That is what Mr. Eggleton was putting forward, and that certainly is what he and Ms Copps are doing together.

Senator Murray: Honourable senators, I do not want to prolong the debate unduly. I am sure other senators want to ask questions. However, when the minister brings in a reply, I hope she will give us the government's official position on the efficacy or otherwise of the cultural exemptions in the FTA and the NAFTA. If the Americans felt they could have won their case by invoking the NAFTA, they would have done so. Instead, they went to the World Trade Organization, as the minister knows.

Honourable senators, this scenario raises the wider question, however, of ministerial accountability. We have heard much about ministerial accountability on various subjects in this place. A vital component of ministerial accountability is cabinet solidarity. The people can only hold the government accountable if they know who is speaking for the government. I suggest to my honourable friend that any fair reading of the statements of Mr. Eggleton, on the one hand, and of Ms Copps, on the other hand, will reveal a great gulf in the two positions.

While I am on my feet, honourable senators, I should like to give the Leader of the Government in the Senate two other examples to take into consideration where cabinet solidarity has broken down to the detriment, I think, of a proper understanding of public policy in this country. One of them also involves Ms Copps.

It is an open secret in this town that the Minister of Canadian Heritage and the Minister of Industry, Science and Technology, Mr. Manley, are, institutionally speaking, at each others throats on the question of the copyright legislation. It is a minor scandal that Ms Copps managed to get a number of amendments through the committee on report stage of that bill without Mr. Manley knowing about them. Meanwhile, the legislation is tied up and the cabinet is struggling to determine what side to come down on.

I raise this issue, honourable senators, because an enormous number of people are concerned about the copyright legislation and its impact on the various sectors of our country, in particular our economy and our culture. We do not know who is speaking for the government on this matter.

The final example I wish to cite relates to statements in the papers the other day attributed to the Minister of the Environment, Mr. Marchi. He was complaining publicly that the Department of Natural Resources, the ministry headed by his colleague the Honourable Anne McLellan, are simply the ciphers or spokesmen for the oil patch and for the natural resource industries.

We all know that there are different institutional perspectives in government, but such issues are supposed to be resolved at the cabinet table. There is supposed to be one position taken by the government on important matters of public policy. It is up to the Prime Minister to assure cohesion and solidarity within his government. This is of importance to Canadians so that we know where the government stands.

I ask the minister to take those matters into account and bring us some explanation and some definitive word on what the government's policy is on these matters.

Senator Fairbairn: Honourable senators, I will be pleased to do that. I know this town has many corridors through which pass many secrets and whispers. From my vantage point for viewing my colleagues, I can assure my honourable friend that the Minister of Canadian Heritage and the Minister of Industry are not at each others throats.

ENVIRONMENT

MINISTERIAL SOURCE OF POLICY ON ENVIRONMENTAL ISSUES— GOVERNMENT POSITION

Hon. Noël A. Kinsella: Honourable senators, by way of a supplementary question, would the Leader of Government in the Senate also attempt to inquire and inform this house as to who was speaking for the government when the Minister of the Environment, Mr. Marchi, proposed Bill C-29 and the Minister of International Trade, Mr. Eggleton, wrote a letter to his colleague suggesting that the bill contravenes the NAFTA?

- (1400)

AGRICULTURE

CANADIAN WHEAT BOARD—DELAYS IN GRAIN SHIPMENTS TO WEST COAST—GOVERNMENT POSITION

Hon. Leonard J. Gustafson: Honourable senators, I have a question for the Leader of the Government in the Senate. The Wheat Board has indicated that the movement of grain to the West Coast this year will cost farmers some \$65 million, not only because we usually have hard winter weather in January but also because the price of grain has been falling. It may be argued that this has been a tough winter, but the Wheat Board is indicating that only approximately 3,400 cars were being used when in fact around 4,900 cars could have been unloaded. It seems to me that we have this problem almost every year.

Currently, there are 34 ships waiting to be loaded. Demurrage on these ships will be charged against the farmers, for whom these ships are waiting. This problem occurs year after year, and we blame the weather.

What steps is the government taking to deal with this seasonal problem of getting this grain moved within the proper time frame? It certainly is not because the farmers have been unwilling to deliver their grain. I see line-ups of trucks standing in front of the elevator, waiting to unload.

Hon. Joyce Fairbairn (Leader of the Government in the Senate): Honourable senators, this certainly is not the first time this issue has arisen and these questions have been raised. As the honourable senator will appreciate, it is an issue that I view as being both serious and frustrating. I will take the honourable senator's question to the Minister of Agriculture and elicit a response from him.

Senator Gustafson: The next thing we will be hearing about is that there will be a strike in the spring, and again we will pay a big price. It is not just the farmers but the whole country that pays the price for this kind of inaction.

Senator Fairbairn: I take your point, Senator Gustafson. Obviously, that is a situation on which all of us wish to work together in order to avoid at all costs. I am sure that the Minister of Agriculture would be the first to agree with that. I will try and obtain some information for the honourable senator.

ROUTINE PROCEEDINGS

PRISONS AND REFORMATORIES ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-53, to amend the Prisons and Reformatories Act.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Graham, bill placed on the Orders of the Day for second reading on Tuesday next, February 11, 1997.

ORDERS OF THE DAY

HUMAN RIGHTS

RACIAL DISCRIMINATION—SETTLEMENT OF UNITED STATES LAWSUIT AGAINST TEXACO—INQUIRY—DEBATE ADJOURNED

Hon. Donald H. Oliver rose pursuant to notice of February 4, 1997:

That he will call the attention of the Senate to the matter of the Texaco racial discrimination lawsuit that was settled in November of last year; specifically, that he will draw the Senate's attention to the facts of the settlement, the issues surrounding the case, lessons the Texaco case teaches about corporate culture, and what insight the Texaco case provides us about Canadian corporate culture.

He said: Honourable senators, I rise today to discuss the racial discrimination lawsuit filed in the United States against Texaco by six of its African-American employees. I bring this matter to the attention of honourable senators because the facts surrounding the Texaco case involve fundamental issues of human rights. I believe that the questions this case raises are important questions to be asked of the corporate elite of our country. Let me begin with the facts.

Texaco is one of America's leading integrated petroleum and gas companies. Texaco had \$35.6 billion in sales last year. It has 19,554 employees, 22.3 per cent of which are black. However, Texaco has no African-American department heads or vice-presidents; no blacks sit on their board of directors.

In 1994, six African-American employees filed suit against Texaco for racial discrimination. They alleged that Texaco's minority employees were discriminated against in the consideration of promotions, and were subjected to racial slurs. The suit alleged that Texaco discriminated against qualified blacks by refusing to promote them or pay them comparable salaries, and retaliated against those who asserted their civil rights by intimidating, demoting and sometimes firing them.

The \$520-million lawsuit, in U.S. dollars, was filed on behalf of 1,500 other minority workers at Texaco. The whole matter attracted very little public attention until this last November, when a tape recording of discussions among four senior executives of Texaco came to light. That tape recording was made by Richard Lundwall, a human resources employee at Texaco, to help him write the minutes of the meeting. The tape was passed to the plaintiffs' lawyers in August 1996, after Lundwall lost his job. In addition to containing racial slurs, some of which Texaco has disputed, the tape suggests that Texaco executives intended to withhold information requested by lawyers for their plaintiffs, and to shred incriminating documents. These allegations are now the subject of a serious criminal investigation.

Robert W. Ulrich, then the corporation's treasurer, was heard on the tape telling other officials:

We're going to purge the —

— expletive —

— out of these books...We're not going to have any —

— expletive —

— thing that...we don't need to be in them.

Referring to his African employees as "black jelly beans," Ulrich spoke about how their desire to celebrate Kwanzaa gave him trouble. He said:

I'm still having trouble with Hanukkah. Now we have Kwanzaa. These —

— expletive —

— niggers, they —

— expletive

— all over us with this.

Honourable senators, this is racism in the extreme. This is discrimination in its lowest form.

Peter I. Bijur, the Texaco chairman and chief executive officer, said after he listened to the tapes for the first time:

The statements on the tape aroused a deep sense of shock and anger in me...and in decent people everywhere.

He called the racial epithets "utterly reprehensible" and the discussions of destroying documents "deplorable and intolerable."

Later, he said publicly:

I have committed myself — and the entire management team of this company — to the elimination of any trace of discrimination in Texaco.

The objective:

...zero tolerance of bigotry and scrupulously fair treatment for every individual.

Reverend Jesse Jackson and other civil rights leaders called for a boycott of Texaco products in reaction to the released tape. Kweisi Mfume, President of the National Association for the Advancement of Coloured Peoples, threatened to urge investors to sell their Texaco stock. Peter Bijur, Texaco's chairman since last July, said that he was "ashamed and outraged" by the taped remarks. He said that the incident "does not represent the way this company feels about any of their employees."

• (1410)

The company will pay \$176 million U.S., the largest race discrimination settlement in the history of North America. The lawsuit was settled out of court. Texaco agreed, among other things, to pay \$115 million U.S. in damages to the plaintiffs and a one-time 11-per-cent pay increase to plaintiffs who are current employees. Texaco will also create a task force which will seek to determine potential improvements to the company's human resources programs and help monitor these programs.

Texaco plans to increase its purchasing from minority- and women-owned businesses from \$135 million this year to a cumulative total over five years of more than \$1 billion. Texaco also plans to increase the number of minority- and women-owned banks that they do business with from 21 to 50. The company will increase the number of the minorities and women who hold positions as fixed income and equity managers of its pension funds from one to eight, while increasing the funds under their management from \$31 million to \$186 million.

Increases in the following three areas are also planned by Texaco: minority- and women-owned wholesaler marketers from 5.5 per cent to 11 per cent within a five-year period; underrepresented minority retail and store managers at outlets owned and operated by the company from 7.4 per cent to 12 per cent; and the number of minority- and women-owned lubricant outlets from 8.7 per cent to 17 per cent.

Though the lawsuit has been settled, not all of the questions surrounding the corporate culture of Texaco have been resolved. The November 11 edition of *The Washington Post* carried an editorial entitled, "Texaco's Telling Tapes" which alerts us to the true issue at hand. I quote from that editorial as follows:

Texaco's problems with its African-American employees didn't start with the lawsuit in 1994. Neither did they begin when Mr. Lundwall's tape recorder started rolling in August of that year. The people and conditions that have produced this scandal have been around for a while. Where was Texaco's high command?

The Texaco settlement does not address the circumstances from which the lawsuit arose. The corporate culture of a company depends, in part at least, on the executives and directors who propagate it. If serious change is to be initiated, companies like Texaco must look past retroactive pay increases and human resource task forces. Effective change must be immediate.

Effective change must be proactive. While Texaco's self-examination is said to have been comprehensive — starting at the board of directors and continuing down to entry-level positions — the settlement would have been more effective if it had included, for example, a commitment to hiring members of visible minorities as senior managers and executives. The culture of any society or organization reflects the ideas and experiences of its members. If a corporate elite is not representative of the workforce as a whole, its culture will most likely be exclusionary.

As President Clinton said last month in his inaugural address when he, too, confronted the reality between black and white in the U.S.:

The divide of race has been America's constant curse. Each new wave of immigrants gives new targets to old prejudices. Prejudice and contempt, cloaked in the pretence of religious or political conviction, are no different. They fuel the fanaticism of terror. They torment the lives of millions in fractured nations around the world...

We cannot — we will not — succumb to the dark impulses that lurk into the far reaches of the soul, everywhere. We shall overcome them, and we shall replace them with the generous spirit of a people who feel at home with one another.

Our rich texture of racial, religious and political diversity will be a godsend in the 21st century. Great rewards will come to those who live together, learn together, work together, forge new ties that bind together.

While we, as Canadians, like to set ourselves apart from our neighbours to the south, we are not recognizably different. Our views on health care may be kinder and our belief in affordable education more resolute, but we, like human societies, are a society which has prejudices. I ask honourable senators, many of whom are acquainted with the Canadian corporate community, to reflect upon the position of visible minorities in Canada today.

There is less open racial hostility in our day-to-day lives in Canada. Of this there can be no question. However, the type of discrimination I want honourable senators to ponder is that which is perpetrated quietly within the confines of corporate offices, just like that which happened last year in Texaco. I would like honourable senators to examine the country's largest corporations: General Motors Canada, BCE, Chrysler Canada, Ford Canada, and the six chartered banks. What levels of minority representation do we find in these organizations in middle management, executive offices and on boards? Does anyone believe that there simply are not enough qualified people of colour to occupy a fair share of these positions?

In explaining the settlement, Texaco insists that its decision to create a task force is based upon business considerations.

Greater minority involvement in Canadian boardrooms is not just a matter of human rights. As Professor T. John Samuel of Carleton University indicates, Canada's visible minority population will rise to about 5.7 million by the year 2001. This represents an increase of over 3.5 times since 1986. In percentage terms, the increase is from 6.3 per cent to 17.7 per cent. By the year 2001, about half of the population of Toronto and two-fifths of the population of Vancouver are expected to be visible minorities. The same is true for over one-fifth to one-quarter of the populations of Montreal, Edmonton, Calgary, Winnipeg and Windsor. Approximately one-fifth of the labour force will be from the visible minority community. This group, says Professor Samuel, will control about one-fifth of the GDP of Canada by 2001 — \$311 billion.

Increasing opportunity and access to people of colour will help Canadian corporations find new talents, new ideas, new capital and new markets. The unwillingness to do so will be a sign of both intolerance and a lack of business savvy. In the United States, the Rainbow/PUSH Coalition will soon be opening up the Wall Street Project. The primary purpose of the project will be to rate corporations on their diversity, commitment to the African-American community and dedication to equal opportunity. Those ratings will be widely disseminated. As Reverend Jesse Jackson stated:

We are not looking for boycott targets; we are looking for trading partners.

The African-American community in the United States is demonstrating what visible minorities can do to push the corporate community into greater inclusiveness. Canada's corporations should take note of the American experience and initiate changes on their own.

As citizens of an officially multicultural society, Canadians often assume that theirs is a society free of racial prejudice and hatred, but this assumption may be the root of the problem. Free from self-examination, many of our prejudices remain unnoticed and unchallenged. Not surprisingly, then, while there has been an increase in the number of visible minorities entering the workforce, the upper echelons of corporate Canada — the boardroom, senior management and vice-president levels — have remained stagnant. The Texaco case teaches us that corporations with disparities in minority management

representation should not simply assume that the reasoning lies in the underqualification of the minority individuals involved.

From a human rights perspective, we see that the less representative a corporate culture, the greater likelihood it will be exclusionary to minorities. Honourable senators, we all have prejudices, some of which are ingrained in our subconscious from childhood. It is not hard to understand that when any one group — racial, linguistic, et cetera — dominates the power structure, the ease, and perhaps even the impetus, to fight prejudices disappears.

If we follow Professor Samuel's thesis to its logical conclusion, economically speaking, it is clear that without visible minorities giving their input at senior management levels, Canadian businesses will not operate to their full potential.

Making corporate Canada more inclusive and representative of all Canadians should be one of the nation's top priorities. First, inclusiveness in the workforce is a basic question of human rights. No man or woman should be impeded from self-actualization simply because of the colour of their skin or their religious beliefs. Second, inclusiveness in the workforce allows for decision-makers in business to be more representative of the consumers and clients whose business they seek. Clearly, inclusiveness at the senior management levels can only help businesses better understand their actual and potential markets.

• (1420)

Honourable senators, with the new millennium just around the corner, Canadian business leaders must realize that the Canada we live in today is in a state of transition. Everything, it would seem, is in a state of flux: technology and means of production, the technical skills needed to operate the technology, the age of the average consumer, and global competitiveness are but a few of the variables that executives must consider when planning for the next quarter, as well as the next quarter of a century.

I believe it imperative that corporate Canada eradicate inequity with the same sense of urgency and efficiency that has made this nation one of the world's most prosperous.

On motion of Senator Gigantès, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

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