



CANADIAN
RACE RELATIONS
FOUNDATION

FONDATION
CANADIENNE DES
RELATIONS RACIALES

ANNUAL REPORT

For year ended
March 31, 1999

MISSION

The mission of the Canadian Race Relations Foundation is to facilitate throughout Canada the development, sharing and application of knowledge and expertise in order to contribute to the elimination of racism and all forms of racial discrimination in Canadian society.

VISION

Our objective is to help bring about a more harmonious Canada, which acknowledges its racist past, recognizes the pervasiveness of racism today, and is committed to a future in which all Canadians are treated equitably and fairly.

It will do so by:

- Forming strategic partnerships in the field of anti-racism;
- Increasing public awareness of racism;
- Empowering groups which are the targets of racism, through advocacy, public education and the provision of credible, persuasive information;
- Speaking out clearly and unequivocally, not shying away from controversy;
- Providing information on legislation, policies and programs to public and private leaders; and,
- Acknowledging positive initiatives in the elimination of racism and the promotion of harmonious race relations.



MESSAGE FROM THE CHAIR

The Canadian Race Relations Foundation has completed its second full year of operation. We have made significant progress towards achieving our mission by successfully implementing programs in the areas of research, public awareness and information sharing. The highlight of last year's program was the launch of our first-ever Award of Excellence, which recognizes organizations whose efforts represent excellence and innovation in combating racism.

We must continue to combat racial prejudice and injustice. Racism, whether overt or systemic, must be challenged. The Foundation has spoken out in support of groups that are involved in the fight against racism. We also have spoken out against discrimination in employment, against hate activity and against forces that continue to deny a rightful place in this country to Aboriginal Peoples and racial minorities.

In September 1998, the Foundation helped to organize South African President Nelson Mandela's historic visit to Toronto. Mr. Mandela was welcomed and cheered by more than 40,000 children and 5,000 adults at Toronto's Skydome. In an inspirational speech, he urged Canadian children to stand up against all forms of discrimination.

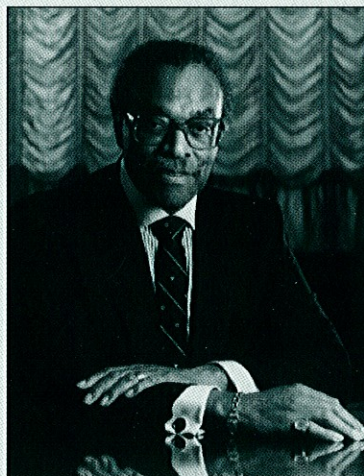
Despite Canada's international reputation as a strong defender of human rights, we still have room for improvement. In March 1999, the United Nations Human Rights Committee examined Canada's compliance with the International Covenant on Political and Civil Rights. It expressed particular concern that Canada has not yet implemented the recommendations of the Royal Commission on Aboriginal Peoples. I share these concerns and would strongly urge the federal government to carefully examine the Human Rights Committee's concluding observations.

During the past year, the Foundation has also made it clear that it intends to protect its arm's length relationship with the federal government. In June 1998, the federal government introduced amendments in Bill C-44 that would, in our view, diminish the Foundation's mandate and independence. The amendments would require the Foundation to submit an annual corporate plan to the minister for approval, and the board believes that this could inhibit its ability to collaborate with other organizations in the fight against racism.

We have respectfully requested that the federal government withdraw the sections of Bill C-44 that would affect the Foundation. I am heartened by the support we have received from the National Association of Japanese Canadians, many federal members of Parliament and senators, and community groups. In February 1999, members of the Foundation's Board of Directors met with the Honourable Hedy Fry to express our concerns. We are optimistic that the federal government will take our representations into account.

The Foundation's success over the past year could not have been achieved without the efforts of our board of directors, various committees and task forces, and staff. I would like to thank them all for their loyalty and diligent work. Furthermore, I would like to extend my appreciation to various organizations that collaborated with the Foundation.

The Foundation will continue to work with individuals, governments and non-governmental organizations to combat racism in Canadian society. Indeed, our demographics are becoming increasingly diverse, and we must learn to live and work together in harmony. Through our continued joint efforts, I am confident Canada truly will become a model society for the new Millennium.



Lincoln M. Alexander

THE HONOURABLE LINCOLN M. ALEXANDER
CHAIR

MESSAGE FROM THE EXECUTIVE DIRECTOR

The past year has been a busy and fruitful one for the Canadian Race Relations Foundation. The Foundation has made great strides in implementing programs and completing the bulk of our policy development. We have begun to develop a sense of rhythm in our operations as we continue to progress in our work.

Through the Foundation's Research Program and Public Education Program, the Foundation funded 14 research projects and 32 community-based anti-racist initiatives in various regions of the country. We also launched our Award of Excellence Program, which serves to recognize public, private or voluntary organizations whose efforts represent excellence and innovation in race relations practice. The Foundation received more than 40 entries from across Canada for this award.

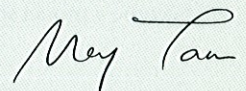
A highlight of the Foundation's work was the Award of Excellence symposium and ceremony, which was held in Ottawa. The Media Awareness Network was the winner of the first-ever CRRF Award of Excellence, while four other groups received Awards of Distinction. A special tribute was paid to Minnijean Brown Trickey, a long-time Canadian anti-racist activist. The Foundation also extended a Special Award of Recognition to the National Association of Japanese Canadians for its tireless efforts to achieve democracy and social justice in Canada.

To ensure the relevance of our work, the Foundation continued to consult with stakeholders, and engaged in community outreach. Our board of directors held community meetings in Montreal, Charlottetown, and Edmonton. The board also established a Task Force on Aboriginal Issues to advise the Foundation on ways in which it can reflect and respond to the needs and aspirations of Aboriginal Peoples in Canada.

As the Foundation moves forward to its third year of operations, we will continue to increase our collaboration with business, labour, educational institutions, the voluntary sector, and all levels of government. To fulfill our mandate, we are committed to building strategic partnerships with a wide range of organizations.

The Foundation's staff is to be commended for their dedication and adaptability during the Foundation's developmental phase. In addition, I am grateful to the board of directors, and particularly the chair, for imparting their invaluable expertise and support.

As we approach the new Millennium, we must strive to eliminate racism and all forms of racial discrimination in Canada. I am confident that the Foundation is well equipped to meet this challenge and will be at the forefront of such efforts in the years ahead.

A handwritten signature in cursive script that reads "Moy C. Tam".

MOY C. TAM
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

CHAIR

The Honourable Lincoln M. Alexander, Hamilton, Ontario

EXECUTIVE DIRECTOR

Moy C. Tam, Thornhill, Ontario

VICE-CHAIR

Arthur K. Miki, Winnipeg, Manitoba

TREASURER-SECRETARY

Nicole Beaudoin, Laval, Québec

MEMBERS

Fred Ligorina D'Silva, Etobicoke, Ontario**

Ann D. Enge, Yellowknife, Northwest Territories*

Ajit Gautam, Moncton, New Brunswick**

Andrew J. Hladyshevsky, Edmonton, Alberta

Chrystyna Holman, Charlottetown, Prince Edward Island**

Myer Horowitz, Victoria, British Columbia***

Jack Jedwab, Montréal, Québec**

Peggy J. Johnson, St. John's, Newfoundland

Pana Merchant, Regina, Saskatchewan

Maria Ausilia Morellato, Vancouver, British Columbia

Fo Niemi, Montréal, Québec*

Subhas Ramcharan, Tecumseh, Ontario

Carolyn G. Thomas, East Preston, Nova Scotia

Sandra Wilking, Vancouver, British Columbia

Frank Zakem, Charlottetown, Prince Edward Island*

*Indicates members who left the board during 1998-99.

**Indicates members who joined the board during 1998-99.

***Dr. Horowitz resided in Edmonton, Alberta at the time of his appointment.

BACKGROUND

The Canadian Race Relations Foundation was created as a result of the Redress Agreement between the National Association of Japanese Canadians and the Government of Canada. The federal government proclaimed the Canadian Race Relations Foundation Act into law on October 28, 1996. The Foundation opened its office in November 1997.

ORGANIZATIONAL PROFILE

At the time of proclamation, the Foundation received a one-time endowment of \$24 million from the Government of Canada. Half of the endowment (\$12 million) was provided on behalf of Japanese Canadians and in commemoration of injustices suffered by Japanese Canadians during and after World War II. The Foundation operates on income derived from investments and donations. For the fiscal years 1996/97, 1997/98 and 1998/99, start-up funds were provided by the Department of Canadian Heritage.

The Foundation is governed by a board of directors consisting of a chair and 14 directors from across Canada, each appointed for a term of up to three years. In addition, a full-time executive director oversees the day-to-day operations and serves as a non-voting board member. The Foundation operates at arm's length from the federal government, and its directors and employees are not part of the federal public service. The Foundation has registered charitable status. While the office of the Foundation is located in the City of Toronto, its activities are national in scope.

ORGANIZATIONAL STRUCTURE

The Honourable Lincoln M. Alexander, Chair of the Foundation, is an ex officio member of all committees.

EXECUTIVE COMMITTEE (STANDING):

Arthur Miki, Chair; Myer Horowitz; Andrew Hladyshevsky; Nicole Beaudoin; Carolyn Thomas; Peggy Johnson; Ms. Maria Morellato

The Executive Committee may, between meetings of the Board, exercise all powers of the Board, which may be lawfully delegated to the Committee.

FINANCE COMMITTEE (STANDING):

Arthur Miki, Chair; Andrew Hladyshevsky; Nicole Beaudoin; Sandra Wilking

The Finance Committee oversees the investment of the Foundation's Endowment Fund. The Committee developed an Investment Policy, and is responsible for its annual review. The Committee is responsible for monitoring the performance of the Foundation investments and reporting at all regularly scheduled Board meetings.

HUMAN RESOURCE COMMITTEE (STANDING):

Maria Morellato, Chair; Sandra Wilking; Myer Horowitz

The Human Resource Committee is responsible for ensuring the maintenance of a high standard of resource policy and procedures. It is also responsible for addressing any extraordinary personnel issues.

PROGRAM COMMITTEE (STANDING):

Peggy Johnson, Chair; Subhas Ramcharan; Pana Merchant; Carolyn Thomas

The Program Committee provides advice on the overall direction of Foundation programs and to ensure the development of effective and responsive programs.

ORGANIZATIONAL STRUCTURE

(CONTINUED)

RESEARCH ADVISORY PANEL:

Gertrud Neuwirth, Chair (Ottawa, ON); Baha Abu-Laban (Edmonton, AB); Jean-Claude Icart (Montréal, QC); Daurene Lewis (Halifax, NS)

The Research Advisory Panel advises on the development of research in race relations for the Foundation. Its principal functions are to review proposals in response to tender for research, to make recommendations for funding and to evaluate completed research.

AWARDS JURY:

The Honourable Ed Broadbent, Chair (Vancouver, BC); Ruth Goldbloom (Halifax, NS), Jean-Claude Icart (Montréal, QC), Marc Maracle (Ottawa, ON), Lucy Yamashita (Winnipeg, MB)

The Awards Jury provides leadership to the Foundation's Awards programs by adjudicating the awards competition, selecting the winners and making recommendations regarding future directions for the awards program.

TASK FORCE ON ABORIGINAL ISSUES:

Maria Morellato, Chair (Vancouver, BC), Paul Chartrand (Victoria, BC), Carole Corcoran (Vancouver, BC), Ann Enge (Yellowknife, NT), Andrew Hladyshevsky (Edmonton, AB), Rosemarie Kuptana (Ottawa, ON), Peter Meekison, Facilitator (Victoria, BC); Maurice Switzer (Ottawa, ON), Tim Thompson (Toronto, ON), Billy Two Rivers (Kahnawake Mohawk Territory)

The Task Force on Aboriginal Issues was established to develop a framework for the Foundation's role vis-à-vis Aboriginal Peoples in Canada.

TASK FORCE ON BILL C-44:

Subhas Ramcharan, Chair (Tecumseh, ON), Arthur Miki (Winnipeg, MB), Andrew Hladyshevsky (Edmonton, AB), Nicole Beaudoin (Laval, QC)

The Task Force monitors and makes recommendations regarding Bill C-44.

TASK FORCE ON COMMUNICATIONS AND PUBLIC RELATIONS:

Sandra Wilking, Chair (Vancouver, BC), Pana Merchant (Regina, SK), Subhas Ramcharan (Tecumseh, ON), Chris Pinney (Toronto, ON), Anne Marie Stewart, Facilitator (Toronto, ON)

The Task Force has a mandate to review the public relations and communications work of the Foundation and to make recommendations for future directions.

STAFF

By the end of the 1998-99 fiscal year, the Foundation had a small core staff consisting of the following positions: Executive Director, Executive Secretary, Communications Officer, Director of Finance & Administration, Program Director, two Program Officers and occasional staff engaged on a project-specific basis.

THE YEAR IN REVIEW

ORGANIZATIONAL DEVELOPMENT

The Canadian Race Relations Foundation is still a young and evolving organization. The board of directors streamlined the Foundation's standing committees, created special task forces and advisory bodies as described above.

During the past year, the Canadian Race Relations Foundation established these additional policies to guide its operations: Policy on Partnership; Human Resources Policy; Capital Preservation Policy; Investment Ethics Policy; and Reserve Fund Policy.

THE FOUNDATION'S APPROACH

With the wide mandate of the Canadian Race Relations Foundation, it is critical that its finite resources are utilized to achieve the greatest impact. The Foundation will be cognizant of efforts being made by other organizations on race relations. In this light, the Foundation will avoid duplication and will work in collaboration or in partnership with others to achieve synergy. The Foundation will have a small staff and contract with external organizations to carry out part of its mandate. The Foundation's approach may be summarized as follows:

- Pro-active in dispelling myths and erroneous misconceptions;
- Strategic in identifying opportune times to exert influence based on explicit criteria;
- Credible in developing and utilizing knowledge-based and policy relevant research; and,
- Fiscally responsible in operational planning and implementation.

CONSULTATION

Consultation regarding key roles and priority issues for the Foundation has been a critical aspect of the first two years of operations. Discussions with key stakeholders have been held in all provinces. Meetings have been held with ethnocultural organizations, community groups, educators, Aboriginal organizations, human right commissions, and government officials. The following key issues, identified in the previous year's consultation process, guide the Foundation's program development:

1. Negative public attitudes towards racial minorities and Aboriginal Peoples;
2. Systemic racism in public policy and institutions;
3. Discrimination in employment;
4. Discrimination in education;
5. Discrimination in health, community and social services;
6. The rise of organized hate groups;
7. Racism facing Aboriginal Peoples;
8. Racism in policing and the justice system; and,
9. Discrimination against immigrants and refugees.

The Foundation continues to ensure that programming is reflective of community needs. Last year, an environmental scan study was commissioned to ensure widely based stakeholder input. In addition, the Board of Directors established a Task Force on Aboriginal Issues to ensure that the views and aspirations of Aboriginal Peoples in Canada are reflected in the work of the Foundation.

SPEAKING OUT

The Canadian Race Relations Foundation speaks out clearly and unequivocally against racism. Over the past year, the Foundation's chair and executive director made public statements on a wide range of issues. Articles and stories about the Foundation appeared in a number of different media, including the Globe and Mail, the National Post, the Ottawa Citizen, the Toronto Star, Le Franco, the Edmonton Journal, the Edmonton Sun, the Calgary Sun, the Vancouver Sun, India Today, World Journal Daily News, Share, South Asian Newsweek, CBC radio, CFMT television, and CJOH television.

PROGRAMS

There are three priority areas consistent with the Foundation's legislated mandate, and confirmed by stakeholder discussion. In all of these areas, the Foundation's website, <http://www.crr.ca> will be a primary mode of information dissemination in order to ensure broad and affordable public accessibility. They are described as follows.

PUBLIC AWARENESS

Stakeholders emphasized the need for public awareness programming to combat racism and reinforce the positive contributions of racial minorities and Aboriginal Peoples in Canadian society. There is a critical need for effective public awareness strategies, to dispel myths, to oppose negative stereotypical portrayals, and to present positive images.

In the past year, the Foundation supported projects including the following:

▶ *YOUTH COUNTERING RACISM AND HATE*

The Affiliation of Multicultural Societies and Service Agencies of British Columbia is carrying out a project entitled BC Youth Countering Racism and Hate. It is an innovative youth-centred anti-hate program, which may serve as a model for others across Canada.

▶ *TVO/TFO PROJECT*

With the objective of producing a series of educational programs for elementary school children about the presence and impact of racism in the classroom, the Foundation entered into a partnership with TVO and TFO — the Ontario government's public broadcasting corporation.

The purpose of the two videos (*It's About Racism* and *Couleur coeur*), was to expose, through five or six different vignettes, the issues surrounding racism in schools. They will allow children aged 8-12 to discuss and critically think about real-life experiences related to racism and intolerance. The French-language video has been nominated for the Alliance pour l'enfant et la télévision award of excellence.

NELSON MANDELA'S VISIT



▶ *VISIT OF NELSON MANDELA*

The Foundation was privileged to be involved in the work of the Mandela and the Children Organizing Committee, which organized South African President Nelson Mandela's visit to Toronto last September. Mr. Mandela was welcomed and cheered by more than 40,000 children and 5,000 adults at Toronto's Skydome. In his address to Canadian children, Mr. Mandela praised Canada as a country that promotes racial harmony.

▶ *CHALLENGING ONLINE HATE*

The Foundation commissioned the Media Awareness Network to carry out a project entitled Challenging Online Hate. The Foundation funded two components of this project: A Primer for Canadians and Teaching Units.

PUBLIC AWARENESS SPONSORSHIPS

In March 1998, the Foundation launched a public awareness sponsorships program to support non-governmental organizations in combating racism. Projects have been sponsored in eight provinces and the Northwest Territories. The average amount of funding support provided is \$3,285.

<i>ORGANIZATION NAME</i>	<i>CITY</i>
Alberta Black Studies Association and the Edmonton Social Planning Council	Edmonton, AB
Alliance for Employment Equity	Toronto, ON
Black Achievement Awards Society of Alberta	Calgary, AB
Black History Ottawa Committee	Ottawa, ON
Canadian Council for Multicultural and Intercultural Education	Ottawa, ON
Canadian Ethnocultural Council	Ottawa, ON
Canadian Woman Studies	Downsview, ON
Central Neighbourhood House	Toronto, ON
Centre Jeunesse Arabes	Montréal, QC
Chinese Canadian National Council	Toronto, ON
Comité de Solidarité Tiers-Monde/TR	Trois-Rivières, QC
Conseil canadien pour les réfugiés/ Canadian Council for Refugees	Montréal, QC
Dene Nation, Denendah National Office	Yellowknife, NT
Desh Pardesh	Toronto, ON
Earl of March Black History Committee	Kanata, ON
Edmonton Chinese Community Services Centre	Edmonton, AB
Femmes africaines, Horizon 2015 (FAH 2015)	Montréal, QC
Immigrant and Multicultural Services Society of Prince George	Prince George, BC
Institut culturel et Éducatif montagnais / Innu-aitun mak Innu-katshishkutamatunanut (ICEM)	Sept-Îles, QC
Multicultural Association of Nova Scotia	Halifax, NS
National Association of Japanese Canadians	Winnipeg, MB
National Capital Alliance on Race Relations	Ottawa, ON
Newfoundland-Labrador Human Rights Association	St. John's, NF
Saskatchewan Intercultural Association	Saskatoon, SK
SAW Video Co-op	Ottawa, ON
Université du Québec à Montréal	Montréal, QC
Vancouver Holocaust Education Centre	Vancouver, BC
Voices Black Theatre Ensemble	Dartmouth, NS
Wachiay Friendship Centre	Courtney, BC
Westcoast Coalition for Human Dignity	Vancouver, BC
Winnipeg Chinese Cultural and Community Centre	Winnipeg, MB
Young Peoples Press	Toronto, ON

RESEARCH PROGRAMS

The Foundation emphasizes research that is practical, strategic, focused, with constructive options for change.

In November 1997, the Foundation issued its first call for research proposals, with the following themes:

- Systemic racism in employment;
- Systemic racism in education;
- Public attitudes; and,
- Race relations training and the development of standards.

A Research Advisory Panel with strong academic and community representation made recommendations regarding projects to be funded. The following is a list of the contracted research projects:

<i>PROJECT TITLE</i>	<i>RESEARCHER(S)</i>
Systemic Racism and Employment Equity Policy in Canada: Strategies for Effective Implementation and Greater Diversity	Abigail B. Bakan and Audrey Kobayashi, Queen's University, Kingston, ON
Curricula and Special Programs Appropriate for the Study of Portrayal of Diversity in the Media	Media Awareness Network/Réseau Éducation-médias, Nepean, ON
Diagnosing Systemic Racial Discrimination in Organizational Culture	Carol Agocs, London, ON and Harish C. Jain, Hamilton, ON
Deconstructing Racist Discourse In Canada's Print Media	Carol Tator and Frances Henry in collaboration with the Canadian Association of Black Journalists, Toronto, ON
Cultural Differences and Secondary School Curricula	David Blades, Ingrid Johnson, and Elaine Simmt, University of Alberta, Edmonton, AB
Towards An Ethnography and Practical Model of Multicultural/Anti-Racist Education on The University Campus	June Beynon and Parin Dossa, Simon Fraser University, Burnaby, BC
Race Relations Training in Canada: Towards the Development of Professional Standards	League for Human Rights of B'nai Brith Canada, Downsview, ON
Education Strategies to Combat Racism in Canada	Katherine Covell and R. Brian Howe, Children's Rights Centre, University College of Cape Breton, Sydney, NS

RESEARCH PROGRAMS

(CONTINUED)

Les jeunes d'origines haïtienne et jamaïcaine
au Québec

Micheline Labelle, Université du Québec à
Montréal, Centre de recherche sur
l'immigration, l'ethnicité et la citoyenneté
with the support of the Bureau d'appui à la
jeunesse québécoise d'origine haïtienne
(BAJQO) and the Jamaica Association of
Montréal, Québec

Systemic racism in education and employment
in Canada and strategies to improve
the situation

R. Patrick Solomon, York University,
Downsview, ON

In addition to the contracts selected through the call for proposals, the Foundation commissioned the following four projects to support program activities related to the information base and the public education programs:

- A Feasibility Study on Indicators of Racism
- Environmental Scan
- Review of Anti-Racism Training Materials
- Survey of Public Education Materials and Campaigns

SYMPOSIA, CONFERENCES AND PUBLIC MEETINGS

In conjunction with the presentation of the Award of Excellence, the Foundation hosted a symposium in Ottawa in March 1999. The symposium focused on exemplary practices in the field of race relations. More than 150 participants attended this three-day event including award nominees, race relations practitioners, and representatives of national organizations committed to anti-racism work.

The Foundation also co-sponsored two conferences last year: a national conference entitled *Hatred in Canada: Perspectives, Action and Prevention*; and *Making History, Constructing Race*. Participants in these conferences included academics, community organizations, and government officials.

The Foundation organized public meetings in Montréal, Charlottetown and Edmonton. They provided opportunities for members of the public to become familiar with the Foundation and its work.

INFORMATION, RESOURCE DEVELOPMENT AND NETWORKING

The Foundation is committed to sharing information and developing resources that support policy, programming and advocacy in the field of race relations. A great wealth of anti-racist educational material has been created by Canadian organizations.

The Foundation continued the task of compiling existing resources and developing bibliographies and fact sheets on key race relations issues. In addition, the Foundation will be supporting the development of new tools and resources to assist anti-racist educators and community organizations.

The following is an update on the Foundation's information, resource development and networking activities.

DIRECTORY OF ANTI-RACIST ORGANIZATIONS

The Foundation's electronic database of non-governmental organizations providing resources and programs to combat racism is now accessible via its web site.

VIRTUAL LIBRARY OF WEBSITE LINKS

Currently, the Foundation's website is linked to over 250 other websites. It will expand over the next year to include a greater sampling of model policy and program documents.

BIBLIOGRAPHIC RESOURCE LISTINGS

The Foundation's anti-racism resource collection includes several hundred books, articles, reports, videos and other works in both French and English. The two completed bibliographies are entitled: "Racism in Canada: Critical Readings", and "Japanese Canadians in Canadian History."

Bibliographies are being prepared in relation to the following topics: Aboriginal Peoples; Charter of Rights and Freedoms; Culture; Education; Employment; Health, Social and Community Services; Hate Activity; Human Rights; Immigrant and Refugee Rights; Immigration and Settlement; Justice; Media; Multiculturalism; Organizational Change; Policing; Training.

FACT SHEETS, ARTICLES AND SPEECHES

Fact sheets on the following titles are available on the Foundation website: racism and the schools; Japanese Canadian redress; recommended readings on race relations; racism and the justice system; defining racism; racism in Canadian history; and, hate activity in Canada. In addition, the Foundation's website houses a collection of speeches and articles by the Foundation's chair and executive director.

EXEMPLARY PRACTICES

"The Summary of Anti-Racism Practices" is a report based on information submitted by 46 organizations for the CRRF Award of Excellence Program.

NEWSLETTER

In September 1998, the Foundation launched its quarterly newsletter, Race Relations Bulletin. The Bulletin will keep a wide range of stakeholders updated about the Foundation's programs and activities.

INFORMATION LINE

In order to permit broad community access the Foundation maintains a bilingual toll-free telephone line (1-888-240-4936) and a toll-free fax line (1-888-399-0333).

For more information please visit the Foundation's website at www.crr.ca.

AWARD OF EXCELLENCE PROGRAM



Fil Fraser, chair of the Media Awareness Network, holds the Award of Excellence trophy presented to him by Moy Tam, executive director of the CRRF.

The CRRF Award of Excellence serves to recognize positive initiatives in the elimination of racism and the promotion of harmonious race relations. The Foundation received 46 entries for this award from a range of organizations across the country.

The winner of the Award of Excellence and a \$10,000 cash prize was Media Awareness Network. The winners of the Awards of Distinction were The Harmony Movement, The British Columbia Teachers' Federation, the National Capital Alliance on Race Relations and Providence Health Care/St. Joseph Site.

FINANCIAL STATEMENTS

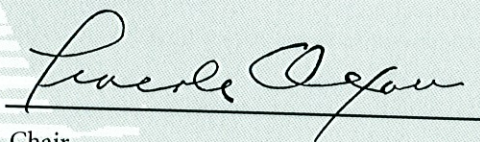
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of the Canadian Race Relations Foundation are the responsibility of management and have been approved by the board of directors. These financial statements have been audited by Hilborn Ellis Grant, Chartered Accountants.

In support of its responsibility, management has developed and maintained books of accounts, records, financial and management controls and information systems. These are designed to provide reasonable assurance that the Foundation's resources are managed prudently, that its assets are safeguarded and controlled, and that its financial information is reliable. The Foundation carries out its responsibilities for the financial statements mainly through the Finance Committee. The Finance Committee meets with management and the external auditor to review internal controls, auditing and other relevant financial matters.

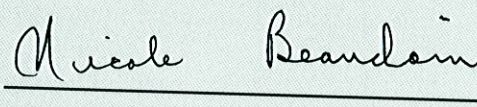
With an essential infrastructure in place, the Foundation allocated funds through the Public Education Grants Program to 32 organizations, and awarded 14 research contracts resulting in a significant increase in program expenditures over the previous year. Also, a highlight of the Foundation's work in the past year was the launch of our Award of Excellence program which serves to recognize public, private or voluntary organizations whose efforts represent excellence and innovation in race relations practice in Canada. Further growth in the area of program and research development is expected to continue in the coming year.

This year, in spite of an extremely poor investment market, the Foundation has ended the year with a surplus attributable to government funding and prudent financial management. The surplus will be allocated to the Reserve Fund which is necessary to fund operational expenditures in years of low investment returns. As was the case this year, the Foundation's investment return would not have been sufficient had it not received government funding. It is therefore critical for the Foundation to continue to build its Reserve Fund to provide operational stability for the future.



Chair

June 22, 1999



Secretary-Treasurer

FINANCIAL STATEMENTS

AUDITORS' REPORT

TO THE DIRECTORS OF THE CANADIAN RACE RELATIONS FOUNDATION

We have audited the statement of financial position of the Canadian Race Relations Foundation as at March 31, 1999 and the statements of operations, changes in net assets and changes in financial position for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 1999 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Toronto, Ontario
April 27, 1999

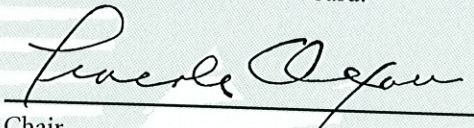
Hilborn Ellis Grant LLP
Chartered Accountants

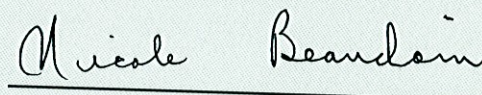
STATEMENT OF FINANCIAL POSITION

March 31, 1999

	1999 \$	1998 \$
ASSETS		
Current Assets		
Cash	149,919	145,784
Investments (note 3)	2,470,375	1,914,707
Income receivable	229,966	276,589
Other receivables	25,743	11,948
	<u>2,876,003</u>	<u>2,349,028</u>
Investments (note 3)	24,000,000	24,000,000
Capital assets (note 4)	96,147	132,843
	<u>26,972,150</u>	<u>26,481,871</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	60,477	22,312
Deferred contributions - government grants (note 5)	283,431	566,682
	<u>26,628,242</u>	<u>25,892,877</u>
NET ASSETS		
Net assets invested in capital assets	96,147	132,843
Net assets restricted for endowment (note 6)	24,000,000	24,000,000
Net assets internally restricted for capital preservation (note 7)	1,262,425	1,046,040
Net assets internally restricted for reserve (note 8)	1,269,670	713,994
Unrestricted net assets	-	-
	<u>26,628,242</u>	<u>25,892,877</u>
	<u>26,972,150</u>	<u>26,481,871</u>

Approved on behalf of the Board:


Chair


Secretary-Treasurer

STATEMENT OF OPERATIONS

Year ended March 31, 1999

	1999	1998
	\$	\$
Revenues		
Government grant (note 5)	1,033,251	818,250
Interest and dividends	1,107,548	1,083,868
Gain on sale of investments	127,425	360,696
	<u>2,268,224</u>	<u>2,262,814</u>
Expenses		
Advertising and recruiting	574	14,256
Amortization	45,916	28,199
Awards program	51,038	-
Conferences, networking, consultations and symposia	103,667	-
Directors' fees	33,550	35,338
Information base program	14,500	-
Information systems and development	18,039	40,693
Insurance	2,776	1,909
Office and general	39,095	43,545
Professional fees	60,361	29,925
Public education	204,542	17,199
Regional consultations	43,523	18,402
Rent	61,639	54,700
Research program	245,541	-
Salaries and benefits	529,828	335,077
Staff relocation expenses	4,914	44,700
Telephone	14,629	11,593
Travel and accommodation	58,727	51,147
	<u>1,532,859</u>	<u>726,683</u>
Excess of revenues over expenses for year	<u>735,365</u>	<u>1,536,131</u>

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31, 1999

	Invested in Capital Assets \$	Restricted for Endowment \$
		<i>(note 6)</i>
Balance, beginning of year	132,843	24,000,000
Excess (deficiency) of revenues over expenses for year	(45,916)	-
Net investment in capital assets	9,220	-
Internally imposed restrictions	-	-
Balance, end of year	96,147	24,000,000

Restricted for Capital Preservation \$	Restricted for Reserve \$	Unrestricted for Operations \$	1999 Total \$	1998 Total \$
<i>(note 7)</i>	<i>(note 8)</i>			
1,046,040	713,994	-	25,892,877	24,356,746
-	-	781,281	735,365	1,536,131
-	-	(9,220)	-	-
216,385	555,676	(772,061)	-	-
1,262,425	1,269,670	-	26,628,242	25,892,877

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended March 31, 1999

	1999 \$	1998 \$
Cash provided by (used in)		
Operating activities		
Excess of revenues over expenses for year	735,365	1,536,131
Items not requiring a current cash payment (receipt)		
Amortization	45,916	28,199
Gain on sale of investments	(127,425)	(360,696)
Deferred contributions - government grant	(283,251)	(818,250)
	370,605	1,385,384
Net change in non-cash working capital balances	70,993	(277,249)
	441,598	1,108,135
Investment activities		
Proceeds from sale of investments	27,508,608	119,068,848
Purchase of investments	(27,936,851)	(119,999,955)
Net additions to capital assets	(9,220)	(119,766)
	(437,463)	(1,050,873)
Net increase in cash during year	4,135	57,262
Cash, beginning of year	145,784	88,522
Cash, end of year	149,919	145,784

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

1. Description of Organization

The Canadian Race Relations Foundation ("the Foundation") was established by way of federal government legislation (Bill C-63 - "The Canadian Race Relations Foundation Act") given Royal Assent in February 1991 and proclaimed in October 1996 and commenced operations in November 1996. Subject to Bill C-63, the Governor in Council appoints the Foundation's Board of Directors and Executive Director.

The purpose of the Foundation is to facilitate, throughout Canada, the development, sharing and application of knowledge and expertise in order to contribute to the elimination of racism and all forms of racial discrimination in Canadian society.

The Foundation is classified as a registered charity under the Income Tax Act and, as such, is not subject to income tax, provided certain disbursement requirements are met.

2. Significant Accounting Policies

a) Financial statement presentation

These financial statements have been prepared in accordance with the accounting standards for not-for-profit organizations published by the Canadian Institute of Chartered Accountants using the deferral method of reporting for contributions.

b) Revenue recognition

Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Other contributions are recognized as revenue when received.

Endowment contributions are recognized as direct increases in net assets in the period received.

c) Investments

Investments are recorded at the lower of average cost and market value.

d) Investment transactions and income recognition

Investment transactions are accounted for on the trade date. Income from investments is recognized on the accrual basis. Interest is accrued based on the number of days the investment is held during the year. Dividends are accrued as of the ex-dividend date. Realized gains and losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis.

e) Capital assets

Capital assets are recorded at acquisition cost. Amortization is provided for based on the estimated useful life of the assets on a straight-line basis as follows:

Office furniture and equipment – 5 years

Computer hardware – 3 years

Computer software – 3 years

Leasehold improvements – over term of lease

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

2. Significant Accounting Policies (continued)

f) Foreign currency translation

Transactions in a foreign currency have been translated to Canadian dollars at the rate of exchange prevailing at the month end closest to the transaction. The market value of investments quoted in foreign currencies and accounts denominated in foreign currencies have been translated to Canadian dollars at the rates of exchange prevailing at the year end. Gains and losses are taken into the current year's income.

g) Financial instruments

The organization's financial instruments consist of income receivable, other receivables and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

h) Measurement uncertainty

Financial statements are based on representations that often require estimates to be made in anticipation of future transactions and events and include measurements that may, by their nature, be approximations.

i) Uncertainty due to the year 2000 issue

The year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the year 2000 issue affecting the organization, including those related to the efforts of suppliers and third parties, will be fully resolved.

3. Investments

	Average Cost \$	Market Value \$
Total investment portfolio	26,470,375	28,237,950
Portion related to net assets restricted for endowment (note 6)	24,000,000	24,000,000
Portion related to net assets internally restricted for capital preservation (note 7)	-	1,767,575
Classified as a current asset	2,470,375	2,470,375

The portion of the investment portfolio related to net assets restricted for endowment is considered to be a non-current asset given that the underlying contributions are to be maintained permanently by the Foundation and are not available to fund its expenses.

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

4. Capital Assets

	Cost \$	Accumulated Amortization \$	1999 Net Book Value \$	1998 Net Book Value \$
Office furniture and equipment	72,637	24,938	47,699	55,076
Computer hardware	74,003	40,072	33,931	53,418
Computer software	17,482	8,632	8,850	16,415
Leasehold improvements	11,299	5,632	5,667	7,934
	<u>175,421</u>	<u>79,274</u>	<u>96,147</u>	<u>132,843</u>

5. Deferred Contributions - Government Grants

During the year, the Foundation received \$750,000 (1998 - \$1,000,000) in government grants from the Department of Canadian Heritage through the Secretary of State for Multiculturalism to fund its start-up expenses net of capital asset amortization and to fund the acquisition of capital assets. These monies were received pursuant to a memorandum of agreement dated February 25, 1997, and amended May 29, 1998. The unexpended portion of the total funds received up to March 31, 1999 has been deferred.

Government grants, which are considered to be restricted operating funds received or receivable in the current year that relate to the subsequent year, are as follows:

	1999 \$	1998 \$
Balance, beginning of year	566,682	1,384,932
Add:		
Government grants received or receivable during year	750,000	-
	<u>1,316,682</u>	<u>1,384,932</u>
Less:		
Start-up expenses incurred, excluding amortization	1,021,413	698,484
Purchase of capital assets	11,838	119,766
	<u>1,033,251</u>	<u>818,250</u>
Balance, end of year	<u>283,431</u>	<u>566,682</u>

In respect of the funding of start-up expenses net of capital asset amortization and the funding of the acquisition of capital assets, additional government grants in the amount of \$250,000 are to be received during fiscal 1999/00.

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

6. Net Assets Restricted for Endowment

On formation, the Foundation received an initial endowment contribution of \$24 million. The endowment contribution was comprised of \$12 million, which was part of the Redress Agreement with the National Association of Japanese Canadians, and a matching contribution of \$12 million from the federal government. This contribution was made in commemoration of members of the Japanese Canadian community who suffered injustices during and after World War II.

The Canadian Race Relations Foundation Act stipulates that this endowment contribution is to be used only for investment and is not available to fund the Foundation's activities. Investment income earned on these funds may be expended for the purpose of the Foundation and is reported as revenue of operations.

7. Net Assets Internally Restricted for Capital Preservation

The Foundation has established a capital preservation policy to facilitate the preservation of the net assets restricted for endowment at an annual rate of inflation. At March 31, 1999, the net assets restricted for endowment adjusted for inflation is \$27,030,000 (1998 - \$26,500,000) and the inflation component is \$3,030,000 (1998 - \$2,500,000). This internal restriction is subject to variances based upon the unrealized appreciation in the value of investments at any point in time.

The balance is as follows:

	1999 \$	1998 \$
Operational surplus transfer – from prior years	1,046,040	-
– current year	216,385	1,046,040
	1,262,425	1,046,040
Unrealized appreciation in value of investments (note 3)	1,767,575	1,453,960
	3,030,000	2,500,000

8. Net Assets Internally Restricted for Reserve

The Foundation has established a reserve policy to provide stability to the operations of the Foundation from year to year in the event of a shortfall in investment income.

Operational surplus in excess of any transfer to the net assets internally restricted for capital preservation is transferred to the net assets internally restricted for reserve at the end of each fiscal year.

9. Lease Commitments

The Foundation has a five year lease agreement for its office premises with the Minister of Public Works and of Supply and Services. The lease agreement provides for fixed annual rental payments of \$63,898 during the period June 1, 1997 to May 31, 2002.