



# The 50 – 30 Challenge

## Your Diversity Advantage



# Intro

Canadians are at the core of innovation. Their ideas and inspirations will guide the future success of Canadian businesses and Canada's economy. In order to stay ahead of the curve, businesses must anticipate the needs and wants of Canada's diverse population. Businesses have adapted by tweaking their existing practices and policies, implementing new ideas, taking risks and embracing innovation. Canada's greatest resource is its people, and continuing on their journey to success and innovation, Canadian businesses must have the right people and voices at the table that embody and represent the Canadian people.

Ongoing research and data shows us just how much this is true. Studies have proven that more diverse teams are more likely to outperform non-diverse companies on profitability, increase revenue and improve workplace productivity. A diverse and inclusive workforce is not only ethical but it is also good economics.

Yet, the reality is that women, visible minority persons, those who identify as LGBTQ2, Indigenous persons, and people living with disabilities are under-represented in positions of economic influence and leadership, including on corporate boards and in senior management.

By removing systemic barriers that create inequity, it will be possible to achieve the full economic benefits possible in the Canadian economy.

Now, more than ever, Canada needs to think of what, or, more so, who, makes Canada great? What is it about the Canadian character and spirit that makes us so resilient, innovative, creative and ambitious? Canada has long taken pride in being a country made up of a cultural mosaic – and that by embracing our diversity we are more whole and become stronger.

That is why the Government of Canada will be launching the 50 – 30 Challenge, a bottom-up approach co-created with the private-sector to further advance inclusion, diversity and economic prosperity from coast to coast to coast.

## The 50 – 30 Challenge

The ripple effect: a diverse corporate board and senior management has been shown to encourage and motivate employees, particularly drawing out the innovations and ideas of diverse employees, while at the same time highlighting to all Canadians the value and importance of diversity more broadly, and that all Canadians are encouraged and welcome to have a seat at the table.

The 50 – 30 Challenge will be a bottom-up, co-created and nationally recognized achievement in the business world. Participating companies and not-for-profits will agree to voluntarily take action towards achieving meaningful and substantive improvements in supporting diversity and inclusion within their organization. This commitment will recognize existing and ongoing efforts, and allow for tailoring to the unique position of each firm, as well as the important work that is already underway through initiatives such as Black North and the 30% Club.

Building on these efforts and celebrating the many ways companies will build in diversity into their leadership, procurement practices, and hiring, the challenge will ask firms to make two aspirational commitments over time, and report on progress:

- Gender parity (“50%”) on Board(s) and senior management, and;
- Significant representation (“30%”) on Board(s) and senior management of other under-represented groups, including visible minority persons, people living with disabilities and members of the LGBTQ2 community. Participants will also be invited to recognize First Nations, Inuit and Métis peoples’ as founding peoples of Canada and under-represented in positions of economic influence and leadership.

## Benefits

The evidence is clear - more diverse organizations are more successful organizations. By taking on the challenge you are taking a leadership role to show Canadians what we’re made of as a country – them. Every unique, original, innovative, singular one of them. The Challenge offers corporate leaders the opportunity to partner with the Government of Canada to shape and co-develop this initiative.

Working with you, we aim to develop an exciting and inspiring program. While we are eager to hear your ideas, we anticipate that the challenge may include

- The creation of a Corporate Diversity Honour Roll;
- Events where partners come together to recognize corporate leaders who have championed diversity and inclusion but putting into practice in their own organizations;
- An annual event where partners, ministers, and corporate leaders have an opportunity to celebrate achievements in diversity including an awards ceremony; and
- Participation in a community of like-minded CEOs and public sector leaders who have taken the challenge and can help drive and support new and innovative approaches to furthering inclusion and diversity.

As a Corporate Diversity Honour Roll Member, you would have access to:

- Supportive resources, as well as connection with partners who specialize in the recruitment of diverse employees;
- Promotion, marketing, and official achievement recognitions;
- Social media promotion, and inclusion on our official website with supporting materials and company profiles;
- Invitation to the annual Gala Awards dinner;
- Funding programs; and
- Envision establishment of a permanent secretariat to promote the brand and find opportunities for collaboration.

## Challenge a new community

The Challenge is an opportunity to champion an important and growing effort in the Canadian business world.

A central feature of the Challenge is the collaborative, bottom-up, co-creation with businesses and diversity organizations who have demonstrated through concrete actions a commitment to advance equity and diversity in organizations, senior management ranks, and corporate boards. Moreover, a diverse corporate board and senior management can not only advance diversity in terms of employees, but also through business lines such as procurement and purchasing, further enhancing inclusion and diversity in Canada.

To support the Challenge and drive broad participation, the government will be developing programming and resources to assist companies and not-for-profits in determining their best path forward in meeting their goals, as well as incentives in program criteria.

In addition to co-creating the Challenge, we encourage you to consider signing up as an early Challenge adopter (see draft Challenge page 4), to showcase the great work you have done and share your leadership in this area with others.

Early partners adopting the Challenge will be able to contribute in shaping the Challenge and provide input on government incentives, and be an example to other Canadian businesses and demonstrate their leadership nationally through a broad media plan. The plan will highlight existing leading work on diversity and inclusion, and early partners will be invited to attend a high-profile launch announcement, and additional national exposure through marketing efforts.

## Draft: The 50 – 30 Challenge

We commit to the 50 – 30 Challenge, and will work to increase the representation and inclusion of diverse groups in our organization, while emphasizing the importance of diversity in the workplace.

Diversity fosters fresh insights, new ideas and creative solutions, while reflecting the diverse make-up of Canada's population.

We agree to work toward achieving two aspirational commitments over time:

- Gender parity (“50%”) on our Board(s) and senior management, and;
- Significant representation (“30%”) on our Board(s) and senior management of other diverse groups including visible minority persons, people living with disabilities, and members of the LGBTQ2 community. This includes a recognition that First Nations, Inuit and Métis peoples’ as founding peoples of Canada and under-represented in positions of economic influence and leadership.

To achieve this, we commit to considering and adopting measures to advance diversity in our organization, such as:

- Establishing targets and timelines to achieve the 50 – 30 representation of women and under-represented groups in our Boards and senior management;
- Adopting policies aimed at fostering greater diversity in the ranks of our Boards and senior management;
- Establishing programs aimed at supporting and promoting diversity across the organization through recruiting, promotion and other measures;
- Using all our tools as a firm, including procurement and work with our suppliers, to foster a commitment to supporting and valuing diversity;
- Fostering diversity throughout the organization through education and engagement with women and under-represented groups;
- Developing mentorship and training programs for women and under-represented groups;
- Limiting director terms to create new opportunities for women and under-represented groups to participate in board renewals; and
- Developing transparent hiring processes to reduce bias and increase the representation of women and other under-represented groups in Board and senior management selection processes.

Our commitment will be driven by a plan with actions designed to achieve the 50 – 30 goals, and which measures and reports on our progress on an annual basis.

We understand that the Government of Canada will be providing supports to participating businesses to help them achieve their targets and, together with the 50 – 30 community, we look forward to reimagining and working together towards building a better future.