

## **50/30 Backgrounder for Organizations**

### **Context**

Innovation, Science and Industry has been working with stakeholders, partners, and diversity organizations in a bottom-up approach to create the 50 – 30 Challenge. Minister Bains will be launching this initiative on December 10, 2020.

The 50 – 30 Challenge will challenge Canadian organizations to improve gender equality and representation on board(s) and senior management teams including those of Indigenous and racialized persons, those who identify as LGBTQ2, and people living with disabilities (including invisible and episodic disabilities). The effort will also ask organizations to implement strategies to meaningfully improve the representation, hiring, and recognition of First Nations, Inuit and Métis peoples as founding peoples of Canada.

Today's announcement includes \$33 million in funding over three years to create and access tools and resources that will help organizations advance diversity and inclusion in workplaces across Canada. Furthermore, the Standards Council of Canada, Canada's respected standards and accreditation organization, will collaborate with the 50-30 Challenge partner organizations to develop a guidance document. The Council's guidance document is part of a broader standardization strategy that will serve as a roadmap for organizations of various sizes and sectors across the country to achieve measurable, concrete change.

Thanks to our co-creators and organizations that have signed up, like yours, this collaborative effort will lead to a marked increase in diversity supports, representation, and commitments among businesses. Resources and guidance material will be available for organizations to help them implement meaningful Challenge action plans for achieving real results.

### **Objective, Goal, and Tag Line**

Corporate Canada should look like Canada. Ensuring that women and underrepresented voices across Canada are at the decision-making table is not only the right thing to do, it's the smart thing to do. That's why Minister Bains and the Government of Canada are launching the 50 – 30 Challenge: a joint initiative with private-sector partners to promote diversity and inclusion in corporate Canada.

### **Key Messages**

- Corporate Canada should look like Canada.
- If we want to continue building successful and innovative businesses, we must invite all people and voices in Canada to the decision-making table.
- Companies and organizations that embrace diversity at the board and executive levels are twice as likely to meet or exceed their financial targets and more likely to outperform their peers.
- The government has been working with private sector partners, businesses and diversity advocates on the best ways and tools to support diversity and inclusion in the workplace.

- Ensuring that decision-making tables are as diverse as Canada isn't just the right thing to do, it's also the smart thing to do.
- Diversified boards and senior management teams make good business sense by generating fresh insights, new ideas and creative solutions.
- Diversity in business leads to greater productivity, ingenuity, and allows Canada to advance by drawing on the full talents and capacities of our whole population.
- Diversity also makes good people sense -- from recruitment to organizational culture -- and reflects the diverse make-up of Canada's population.

## **Questions and Answers**

### *Subject: Challenge Details*

#### **Q1. What is the 50/30 Challenge Announcement?**

The Government of Canada is launching the 50 – 30 Challenge, alongside early-adopters. Through collaboration with partners and diversity organizations, the Challenge has been designed to be adaptable, to encourage diversity and inclusion in Canada's unique sectors.

#### **Q2. Why is the Government of Canada working with the private sector rather than creating a program by itself?**

The government does not have all the answers. The objective of this collaboration is to create the best-possible initiative that will have a beneficial impact on Canadian businesses across the country. This collaborative effort will lead to access to resources and training supports to ensure partners can more effectively draw on the existing pledges, tools, and resources to implement meaningful Challenge action plans and achieve real results.

#### **Q3. Why is the Government of Canada launching a human-resourcing challenge during COVID-19, when many companies are not hiring and struggling to survive?**

These are indeed challenging times. Yet these times offer the opportunity for many businesses to adapt to today's reality and embrace new ways of doing things. The 50 – 30 Challenge will look to offer these businesses an incentive, tools and a host of resources to embrace diversity as they are reinventing themselves.

#### **Q4. What are the benefits of a more diversified corporate boardroom and executive team?**

Studies have proven that more diverse teams are more likely to outperform non-diverse companies on profitability, increase revenue and improve workplace productivity. Diversified boards and senior management teams make good business sense by generating and fostering fresh insights, new ideas and creative solutions.

**Q5. How are you determining ratios for gender and under-represented groups?**

This is one of the elements that has been discussed through the co-creation process, understanding that different businesses and different regions of the country live different realities. The 50 – 30 number however, broadly captures the ratio of identified women to men (50%) and underrepresented groups in Canada (30%). Further work on definitions will be done with the support of the Standards Council of Canada. That said, while the ratios for the overall challenge are important, also critical is the commitment to progress for each challenge participant, applying these aspirations to their own region, sector, and context.

**Q6. Which are the groups designated as being under-represented? How did you come up with this designation?**

Racialized persons, those who identify as LGBTQ2 and people living with disabilities (including invisible and episodic disabilities) are under-represented groups who have not had the recruitment or mentorship supports, and have not seen their full talents drawn upon to advance. This is particularly the case for First Nations, Inuit and Métis peoples in Canada, whose distinct history and relationship with Canada now more than ever requires the pursuit of reconciliation.

These groups were selected because they are all under-represented in positions of economic influence and leadership, including on corporate boards and in senior management.

**Q7. You say that the initiative will encourage businesses to recognize First Nations, Inuit and Métis peoples as founding peoples of Canada. What does this mean? Will you set up a specific percentage target and will this be part of your diversity ratio or in addition to it?**

The government understands and respect that the experiences of Canada's Indigenous peoples are unique and need to be recognized as such. These questions will be discussed with partners as part of the co-creating process.

**Q8. How can organizations sign up to participate in this challenge, and how long will they have to complete it?**

Organizations interested in participating in the challenge are invited to visit the 50 – 30 Challenge website to sign up. The 50 – 30 Challenge is an aspirational challenge, intended to promote greater diversity and inclusion across Canada, in many types of organizations. As such, there is no specific date for an organization to meet the targets. The most critical aspect of the challenge is the commitment to making progress, recognizing that this will look different and take diverse formats, depending on the nature of the organization or business. This will obviously need to be sensitive to one's sector and region and size, and the program certification process will be taking in feedback on effective ways to make this recognition

**Q9. Why has the government decided to divide the Challenge into three streams? What are those streams exactly?**

The Challenge acknowledges that each organization is different and has unique needs. While not every organization may have a Board of Directors or senior management team, many are eager to take action to enhance diversity and inclusion across their organization.

To reflect these differences and offer tailored pathways to success, the Challenge will offer three distinct streams for participation. This will allow participating groups to strive to achieve their 50 – 30 goals in a way that best suits their organization and reflects their unique needs.

The Challenge will be structured across the following three streams:

- Large Corporations;
- Small and Medium Enterprises (between 1 and 499 employees) ; and
- Post-secondary institutions, not-for-profits and charities.

**Q10. Is it the government’s role to influence companies on their hiring practices? Shouldn’t it leave this to the companies themselves?**

The government is looking to highlight the benefits of a diversified workforce and provide companies with tools, expertise and resources to that effect. After all, studies have demonstrated that companies with more diverse leadership teams are more likely to outperform those with less diverse teams on profitability, increased revenue and improved workplace productivity. A diverse and inclusive workforce is not only fair and just but it is also makes for good economics.

*Subject: Participation and Accountability*

**Q11. How will participating companies be supported throughout the challenge? Are there other incentives to participating?**

Businesses participating in the Challenge may be included in a Corporate Diversity Honour Roll, which would offer access to events recognizing corporate leaders who have championed diversity and inclusion and participation in a community of like-minded CEOs. Challenge participants will also have access to a Tool Kit that will offer resources to support their efforts to increase diversity in their organizations. Participants could also have access to supportive resources, promotion and marketing tools, funding programs and a network to help find opportunities for collaboration.

**Q12. Will there be any penalties for companies who will sign up for the challenge, but will not meet the objective?**

There are no penalties for companies who are not able to meet the objectives of the Challenge. Rather, targets and supports will be developed to assist different types of organizations to

advance their diversity objectives, with the overall goal of encouraging increased diversity and inclusion in organizations.

**Q13. How will you measure the Challenge's effectiveness and over what period of time?**

Given the large number of organizations across the country, representing different regions and sectors of the economy, the Challenge will have some early successes, and others that may take longer to be seen. The most critical aspect of the challenge is the commitment to making progress, which may be visible more quickly in different levels of an organization.

ISED is working with the Standards Council of Canada and diversity organizations to develop criteria to assess organizations, which will help to identify program definitions that can be measured as well as assessed.

Within the three streams of the Challenge, different criteria will be applied to ensure fairness and equity. While the details have yet to be fully determined, organizations could be assessed on progress towards achieving 50-30 targets, having talent management plans in place to establish a pipeline of qualified candidates to move into management positions, as well as steps taken to foster a culture of inclusion throughout the organization.

**Q14. How would you recommend an employer ask prospective employees whether they are in an underrepresented group while protecting their privacy?**

ISED is working with diversity-focused organizations, as well as the Standards Council of Canada, to establish definitions and tools to assess organizations' progress towards achieving Challenge targets. The personal privacy, comfort and safety of individuals is of primary importance, and will not be compromised along the way. One of the goals of the Challenge is to promote diversity and inclusion across all levels of an organization. This will lead to a stronger culture of diversity and inclusion that makes all employees feel comfortable bringing their whole selves to work, and make meaningful contributions to their organization.

*Subject – Support to Organizations and Funding*

**Q15. How would you use the \$33 million dollars of funding to invest in the 50 – 30 Challenge?**

The government has allocated \$33 million dollars over three years into the Challenge to provide the necessary supports and resources to help participants make progress. This would include support for organizations to develop an online toolkit, as well as grants and contributions to assist SMEs, working with not-for-profits on the development of their diversity strategies and the creation of mentorship and training opportunities, a recognition awards scheme, and incentives linked to Government programs.

**Q16. What type of accreditation/award will companies receive upon completing the Challenge?**

The government is currently engaging with the Standards Council of Canada to set the criteria of a certification for organizations to complete the challenge.

**Q17. How what is the value added to sign up for the challenge for organizations that already meet or surpass the Challenge objective?**

A key feature of the Challenge is its focus on collaboration and co-creation with partners and participating organizations. The Challenge is not intended to be individualistic in nature, but an opportunity to develop a community of like-minded organizations with similar interests to further diversity in Corporate Canada.

Organizations that have already met or surpassed the Challenge's objective possess valuable experiences to the Challenge community. These organizations are able to share their best practices, lessons learned and potential of mentorship to other aspiring organizations.

**Q18. What type of training programs or talent management resources will be offered to Challenge participants?**

Training programs and talent management resources will be developed in partnership with the co-creators and the early adopters.

**Suggested Social Media Content**

- Canada cannot succeed if some of us are falling behind. It's about fairness, and equity, it's about empathy, but it's also about our continued success and prosperity as a nation. We just work better when everybody has a seat at the table. Learn more or sign up for the 50/30 challenge: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge
- Canada's professional landscape should look like Canada. When organizations embrace diversity, they're embracing new ideas and perspectives. Not only is it the right thing to do, it's the smart thing to do. Learn more or sign up for the 50/30 challenge today: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge
- Research shows us that businesses simply run better when their decision-making tables reflect Canada's diversity. Canada is full of talented, exceptional people who have so much to bring to our collective conversation. Learn more or sign up for the 50/30 challenge today: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge
- **DID YOU KNOW:** Investors that focus on companies who have a gender diversity strategy are rewarded with annual growth rates of 3.5%. Learn more or sign up for the 50/30 challenge today: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge
- **DID YOU KNOW:** Companies with racial and ethnic diversity are [35% more likely](#) to have higher financial returns. Learn more or sign up for the 50/30 challenge today: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge

- **DID YOU KNOW:** If Canada made workplaces more accessible, it would add \$16.8 billion to our GDP by 2030. Learn more or sign up for the 50/30 challenge today: <https://www.ic.gc.ca/eic/site/icgc.nsf/eng/07706.html> #5030Challenge