



## Bill S-279: A Proposal to Measure the Diversity of Boards of Canadian Charities

**Mary Barroll:** Welcome to CharityVillage Connects. I'm your host Mary Barroll.

(SFX: Hummingbird flying and tone)

That's the sound of the Hummingbird pollinating our world and making it a better place. The Hummingbird is CharityVillage's logo because we strive – like the industrious Hummingbird – to make connections across the nonprofit sector and help make positive change.

Over this series of podcasts we'll explore topics that are vital to the non-profit sector in Canada. Topics like diversity, equity and inclusion, mental health in the workplace, the gap in female representation in leadership, and many other subjects crucial to the sector.

We'll offer insight that will help you make sense of your life as a non-profit professional, make connections that help navigate challenges and support for your organization to deliver on its mission.

### MUSIC TRANSITION

**Mary Barroll:** In this episode of CharityVillage Connects, back in 2019, the Senate of Canada published its long-awaited report, Catalyst for Change: A Roadmap to a Stronger Charitable Sector. Among its recommendations was a suggested amendment to the Income Tax Act to require charities to report on the diversity representation on their boards in their annual filings. The amendment would include questions about board diversity in the T3010 – the obligatory document submitted annually by charities to the Canada Revenue Agency. Senator Ratna Omidvar, co-author of the report, has since proposed Bill S-279 to do just that.

Join us in this episode of CharityVillage Connects, where we talk to Senator Omidvar and other sector experts to learn more about the bill, what it would mean for charities, and the current state of equity and diversity in Canada's nonprofit leadership.

**Ratna Omidvar:** I think there's a bit of like what do directors do? Well, they make really important decisions, they hire, they fire the top leadership, they set HR policies, they are the ambassadors, they create the vision, they decide which direction an organization will go. Whereas the operations is always left up and should be left up to the hired staff, one cannot underline enough the role of governance in all of this, which is why I'm focusing on governance.

**Wendy Cukier:** You know, the employment equity legislation applied to federally regulated companies, banks, transportation, communications, they're ahead of the curve in terms of representation, because since 1986, they've had to report on representation and what gets measured gets done. So, legislation is really powerful.

**Terrance Carter:** A charity is like a public trust. The concept of charity at common law is very much built upon the concept of a public benefit. In essence a public trust and that's reflected in our Income Tax Act because we have benefits that are provided over

*The contents of this document are both privileged and confidential and may not be disclosed or reproduced without the express authorization of the author, Everything Podcasts ©2024. All rights reserved.*

to charities that other organizations don't have and to the extent as a society that we're interested in promoting diversity, equity and inclusion to have that information available for the charitable sector I think is a good thing and I think it should be encouraged.

**Anne-Marie Pham:** I think for us, what has changed is that people are now more attuned to the needs for DEI. It's no longer something that, you know, I think we should do, it's a nice thing to do, there's actually a social and economic, a people imperative for doing this work.

**Leslie Woo:** Even the organizations who are not moving as quickly oftentimes they're not a monolith. There are oftentimes within those organizations champions who want to move things forward, but we should never give up because we have a whole other generation of folks who are calling us all to account.

**Kate Bahen:** The government in Canada has huge powers already and if it matters to government funding, diversity and inclusion, then every single organization it funds, it can ask as a precondition of its funding, do you have an equity, diversity and inclusive policy? And if this data is material to the government, then it could request that of the charities it funds. So, I just think that there are many alternatives rather than blanketing all 86,000 registered charities in Canada with this legislation.

## **MUSIC TRANSITION**

### **MONTAGE NEWS CLIPS**

<https://globalnews.ca/video/9678018/kingston-police-rolling-out-diversity-initiatives/>

“We need to ensure that our staff is representative of our community”

<https://globalnews.ca/video/10258603/saint-john-ymca-gets-new-name-expands-services/>:

“And so, we decided how do we be representative of those communities, so they feel like they belong”

<https://globalnews.ca/video/9830416/ritu-bhasins-new-book-unlocks-the-beauty-of-belonging/>

“We hide our identities because of the fear of judgment”

<https://www.cbc.ca/news/canada/toronto/concerned-bbpa-members-related-party-transactions-1.7199334>

“Some members have been calling for the whole board to step down”

## **MUSIC TRANSITION**

<https://senparlvu.parl.gc.ca/Harmony/en/PowerBrowser/PowerBrowserV2/20240525/-1/13049>

“Senators, colleagues, I rise today to speak on Bill 279....”

**Mary Barroll:** When Senator Ratna Omidvar addressed her colleagues in Canada's upper house about her proposed bill, she pointed out that the country's charitable sector employs almost two and a half million people and contributes 8.2% of the country's

gross domestic product – about the same as Canadian agriculture. And yet, it grapples with a dearth of data.

<https://senparlvu.parl.gc.ca/Harmony/en/PowerBrowser/PowerBrowserV2/20240525/-1/13049>

“As one of our witnesses in the senate charities committee pointed out, quite humorously, that we know exactly how many eggs are laid by Canadian chickens on Canadian farms every day, but we never know about who works and governs a sector of a similar size. This deficiency poses a significant challenge because robust evidence is imperative for shaping policies and making informed decisions.”

**Mary Barroll:** Bill S-279 aims to change that, offering greater transparency of the diversity of the governance of Canada’s charitable sector. Senator Omidvar calls it a straightforward piece of legislation.

**Ratna Omidvar:** It will provide a baseline of data. It will dispel the anecdotes. It will hold up a picture to the sector and to Canadians, whether in fact the people with real power in this country, over charities, are in line with the demographic evolution of this country - or not.

**Mary Barroll:** To get there, Canada’s Income Tax reporting rules will have to change – not for donors claiming contributions, but for charities themselves in their annual filings.

**Ratna Omidvar:** It amends the Income Tax Act so that the CRA can include an added question that charities would be required to answer when they file their annual returns every year, their T3010s, this bill applies only to charities and not to not-for-profits and with the inclusion of a new question on board demographic diversity, we will get the data at a national level, which can be further intersected and disaggregated to give us an evidentiary basis on trends, conclusions, et cetera. At this point, I think we largely have anecdotes and spot studies. I myself engaged in, worked with Stats Canada to do a survey of the charitable sector; I believe in 2020 during Covid.

**Don Shafer:** In the Statistics Canada survey conducted from December 4, 2020, to January 18, 2021, a total of 8,835 individuals completed the survey, 6,170 of whom were board members of nonprofits. The survey asked respondents about their gender, race, age, sexual orientation, immigration status, and disability. The crowdsourced and voluntary survey found that 59% of board members on charities were women, 11% identified as visible minorities, 8% identified as LGBTQ2+, and 6% as people living with disabilities.

**Ratna Omidvar:** But it was a voluntary crowdsourced survey. And when you have respondents to the survey who volunteer themselves, let me submit to the listeners that there's likely a bias that they're already doing the right thing. We want to capture all 85,000 charities. We can only do that in a systematic annualized basis if we have a question in the T3010.

**Mary Barroll:** Here’s what the current wording of Bill S-279 calls on charities to actually do:

**Don Shafer:** Every registered charity must, in its information return filed with the Minister, indicate to the best of its knowledge, as of the last day of the taxation year,

how many of its directors, trustees, officers or like officials are members of each of the designated groups as defined in section 3 of the Employment Equity Act.

**Ratna Omidvar:** So, it is grounded. It sits on another piece of legislation, which is the Employment Equity Act. We understand that the Employment Equity Act is due to be reworded, revised, to capture the nuances that have developed in the progress around this conversation so as you know, it includes women, it includes peoples with disability, Indigenous peoples, and racialized minorities. It does not disaggregate black people who have a very unique experience in Canada, and it does not include lesbians, gays, transgendered, that whole identity pillar. So, I believe that when the employment equity definitions are changed, so they will have a knock-on effect on this questionnaire.

**Mary Barroll:** The idea isn't entirely new. As mentioned, Senator Omidvar and her co-authors had recommended the amendment in the 2019 Catalyst For Change report, inspired to some degree by the rules that already compel many federally regulated for-profit companies in the private sector to report the diversity of their board and senior management every year, and more.

**Ratna Omidvar:** I have based in many ways this legislation on legislation that already exists in Canada governing the corporate sector. The Canadian Business Corporations Act requires federally regulated businesses every year to disclose the demographic identity of their governance. We're only talking about governance here, by the way. We're not talking about senior leadership. The CBCA, this act that governs federally regulated businesses, asks respondents to do two things. One, to report on the demographic data of their governance and two, to file a diversity plan. This bill, S-279, does not do that. It simply asks charities to disclose their data.

**Mary Barroll:** But Senator Omidvar acknowledges there are barriers to full disclosure.

**Ratna Omidvar:** And of course, the data can only be disclosed through self-identification. So, governors, let's say a board of directors of a certain organization, are not comfortable disclosing whatever identity that they may represent. That is up to them. The law also allows for, allows self-identification to prevail in all of this. So that, in a simple nutshell, is the bill. It will provide data, which will hold up a mirror to the sector, and I believe to Canadians, about who governs, who leads, who makes essential decisions? Boards of governors, I think there's a bit of like what do directors do? Well, they make really important decisions, they hire, they fire the top leadership, they set HR policies, they are the ambassadors, they create the vision, they decide which direction an organization will go. Whereas the operations is always left up and should be left up to the hired staff, one cannot underline enough the role of governance in all of this, which is why I'm focusing on governance.

**Wendy Cukier:** It is a little weird to me that large corporations have to report on this, and organizations in the charitable sector often who receive, if not direct government funding, significant benefits from tax relief and so on, to me it's a bit weird that charities and nonprofits have not been subject to some kind of reporting.

**Mary Barroll:** Dr. Wendy Cukier is the founder and academic director of the Diversity Institute at the Toronto Metropolitan University. She is also a professor of entrepreneurship and innovation with a PhD in information systems, and an award-winning diversity leader and bestselling author.

**Wendy Cukier:** I work at a university, the bank has more reporting requirements than the university because the university is provincially regulated and I personally think that organizations in the public sector, universities, hospitals, charities and nonprofits generally, because they do receive benefits as a result of their status, should be held to a higher standard than private sector corporations

And I also think as the population is changing, whether you're a professional association, whether you're a service delivery organization, whether you're a hospital or university, you have to be able to meet the needs of increasingly diverse communities. And so, this is to me, part of that process. It's not the only thing.

As many people point out, representation alone does not create inclusive work environments. Just because you have a woman as president does not mean it's all flowers and unicorns. But there is no question that boards that have more women represented, have more Indigenous peoples represented in particular, are more likely to drive inclusive organizations, are more likely to see things that, you know, boards that are more homogeneous may not see in terms of opportunities.

**Mary Barroll:** Wendy Cukier also conducts research into equity, diversity and inclusion. In 2023, she and her colleagues at the Diversity Institute partnered with CivicAction to publish a report on equity, diversity and inclusion advancements being made in Ontario nonprofits, and where the sector is still lagging.

**Wendy Cukier:** And, you know, what I would say is there's good news and there's not so good news that came out of the research.

**Mary Barroll:** The findings are compiled in the report entitled, "Diversity and Inclusion in Non-Profit Leadership in Ontario: Are We There Yet?" The report looks at the state of equity, diversity, and inclusion in nonprofit sector boards and executive teams, as well as the experiences of diverse leaders in Ontario's nonprofit sector.

Well, can you share with us some of the high-level findings that the sector should be aware of?

**Wendy Cukier:** Well, I think it's no secret that there's been a lot of emphasis in recent years on improving representation on boards and women have long been overrepresented in the nonprofit sector, they're a higher percentage of volunteers, higher percentage of workers, higher percentage of fundraisers, higher percentage of board members and in fact in leadership roles you see women much better represented in non-profit organizations in CEO and VP roles than you would see for example in the private sector. And what's really exciting to me because we've been tracking representation in the non-profit sector since about 2008 and what's really encouraging as well is to see that boards are also becoming less homogeneous, so, we're seeing, for example racialized people are getting close to the same level of representation as in the population. In fact, in some communities, there's over-representation of people who are racialized, we're seeing Indigenous people still underrepresented, but again, those numbers are growing, we're seeing persons with disabilities still pretty underrepresented and some of that may be associated with disclosure issues because if people don't feel welcome, they often don't disclose that they have disabilities and we're also seeing newcomers and immigrants better represented than I think we have in the past.

People who identify as 2SLGBTQ+ tend to be reasonably well represented. So, when we look at boards, it's a good story. When we look at executives, not so good. Women again have a reasonably high level of participation as executives, they're about 38%, But it's predominantly white women. And so, when we look at the senior leadership in the organizations, we still see very, very white people dominate, we see much less representation of racialized people, Indigenous people, and so on in those executive type roles. And of course, the other issue that keeps coming up is the experiences of women, racialized people and others in these organizations. And we know there's still barriers there.

**Mary Barroll:** Here's more of what the research found:

**Don Shafer:** According to the report, women hold the majority of director and senior management positions in the non-profit sector in Ontario – 56.6%, regardless of organization size. This representation is consistent across large and small cities.

Racialized people comprise 18.2% of nonprofit board members and senior managers in Ontario, with a greater representation in larger cities.

Indigenous Peoples represent a small percentage of non-profit leaders in Ontario – 1.6% - and are more likely to serve in leadership roles for small nonprofit organizations and those that receive government funding.

Black leaders are more commonly found on small non-profit boards. And one-half of Black board members and senior management team members report experiencing discrimination at work based on their skin colour.

Racialized women constitute the majority of racialized non-profit leaders – 57.3%, and Indigenous women account for 71.5% of Indigenous non-profit leaders.

These groups face specific barriers related to their intersectional identities, such as racism and gender discrimination.

The research also found that 40.9% of 2SLGBTQ+ people reported feeling the need to hide part of their identities to fit in with other board members. 48.1% of people with disabilities also felt the need to hide part of their identities.

**Mary Barroll:** In its conclusions the study made a number of recommendations for more proactive initiatives by the government. First, it calls on government to make the collection of EDI data and policies mandatory.

Second, that diversity initiatives, such as Bill C-25 which amended the Canadian Business Corporations Act to require disclosure of the diversity of boards and senior management of federally incorporated public companies should be expanded to include federally incorporated non-profit organizations.

Third, it recommends that government and donor funding should be awarded based, in part, on EDI performance.

Fourth, that governments should promote policies and invest in programs that address barriers to the inclusion of equity-deserving groups; for example, improving access to childcare, elder care, and parental leave.

Finally, the Report recommends that all levels of government should work together to address systemic discrimination and challenge negative stereotypes of leaders from equity-deserving groups.

## CLIP

“The 50-30 Challenge is an initiative by the Government of Canada, Canadian businesses, and organizations supporting equity-deserving groups. It encourages organizations to commit to gender parity, that’s the 50%, and increased diversity, that’s the 30%.”

**Mary Barroll:** To be fair, governments have been making efforts to improve diversity within the leadership of organizations. We’ve already heard about the private sector’s obligation to report their own data on diversity representation and in 2020, Navdeep Bains, the former Minister of Innovation, Science and Industry formally launched the federal government program known as the 50-30 Challenge. It was sparked by his experiences and what he saw when he met with business groups across the country, as he explained in an interview with the Diversity Institute.

[https://www.youtube.com/watch?v=2UI\\_9bH684I](https://www.youtube.com/watch?v=2UI_9bH684I)

“I would stand out like a sore thumb. I’d walk into these rooms, the only person of colour in many instances, and mostly men, and I’m like ‘this has got to change’”

**Mary Barroll:** The 50-30 challenge invites businesses, non-profits and charities to commit to increasing diversity on their boards and among their leaders, to 50% women and 30% from underrepresented groups including racialized people, 2SLGBTQ+ individuals, first nations and people living with disabilities. Here is Wendy Cukier of the Diversity Institute, an ecosystem partner with the federal government in the 50-30 Challenge, to explain.

**Wendy Cukier:** 50-30 challenge is a voluntary code, it's also aspirational. So, 50 refers to gender parity, 30 refers to increased diversity and that can be diversity in terms of racialized people, people who are Black, Indigenous peoples, persons with disabilities or those who identify as 2SLGBTQ+. And what I love about the 50-30 challenge is it's adaptable to the environment. So, if you're in Toronto, racialization, big issue, black community, big issue. But if you're in Winnipeg, the focus may be more on Indigenous peoples.

And so, it allows organizations to set targets based on the context that they're in. You know, in Toronto, half the population's racialized in St. John's, Newfoundland I think it's less than 10%. So, it wouldn't make sense to have the same targets in both places so, it allows you a lot of flexibility and it applies to boards and, or senior executives.

Some organizations may already need it. So, if you have a board of 10 people and there are five women and two women are racialized and one is Indigenous, you're 50-30, which is great. But even if you're not and you aspire to gender parity and increased diversity and you're prepared to put a stake in the ground and say, by 2030, we'll hit 50-30, you can sign up as well. And what that gives you is access to lots of resources and supports that are free and tools to help you move forward and as I said, we are seeing funders, governments, municipalities, provinces, and federal government starting to ask

more questions about your equity, diversity, and inclusion strategies, about representation, how you translate your good intentions into actions. And so, I would argue it helps organizations sort of move in that direction and potentially provides access to opportunities they wouldn't otherwise have.

**Mary Barroll:** The 50-30 Challenge was created in collaboration with a variety of diversity institutions and networks and developed with the input of many organizations spanning the country, including CharityVillage. I was honoured to have been a participant in the Steering Group and involved in the development of some of the technical standards.

Those organizations who take up the 50-30 Challenge are given supportive resources and a digital tool-kit to pursue their DEI journey, and according to the government publication on the 50-30 Challenge, it's also contemplated that those who meet the standards may in future receive potential benefits including marketing, social media promotion, and preferential access to government programs and funding.

And Canada isn't alone. Across the Atlantic, the European Union has also set a goal for change and added a timeline, mandating that big companies must have 40% women on their boards by 2026.

<https://www.cbc.ca/news/business/women-board-seats-chamber-report-1.7138574>

“We have managed to put a proper crack in the glass ceiling”

**Mary Barroll:** Despite government efforts and calls to action, Leslie Woo says Canada still has a long way to go.

**Leslie Woo:** When it comes particularly on issues of gender and gender representation, we sort of stalled a little bit.

**Mary Barroll:** Leslie Woo, is the CEO of CivicAction, the organization that partnered with the Diversity Institute to publish the Diversity and Inclusion in Non-profit Leadership report mentioned earlier.

**Leslie Woo:** And despite keeping in mind that this research was done right after pandemic, right after the George Floyd incident, at a time when there's heightened interest on the issue of DEI, if ever there was going to be a time where we could make a shift, one would have thought this was the time, but really it speaks to the scale at which the problem is increasing. And so, while we are making steps forward, it's a catch up and keep up because we're not keeping pace with the changes that are happening in society.

**Mary Barroll:** The Ontario research also shed light on the positive results that come with having diverse governance on nonprofit boards – valuable insights for nonprofits across Canada.

**Leslie Woo:** In the instances where the board itself is more diverse, we see more progress, because there's a heightened awareness about the importance of, and also how to retain diverse board members so that they feel included, and they feel like they belong and are part of the decision-making. But that isn't always the case, I would say that we have some, especially in the not-for-profit sector, where there are a lot of



foundations, family foundations, other types of foundations that have been around for a long, long time, and they're not necessarily feeling the effects or being driven to think that a change is necessary because things seem to be going well for them. The problem with that is, of course, the not-for-profit sector and the charitable sector, their purpose is in service of the public. And the public, as we define it, has dramatically been changing over time. We'd like to see more progress.

**Mary Barroll:** Still, Leslie Woo says they are seeing some progress being made with the positive response to Civic Action's Board Shift Initiative. Launched in 2022, BoardShift is a program that prepares and matches Indigenous, black, and racialized candidates with nonprofit, charitable, and public board opportunities. The program also provides tools and resources to support boards in adopting inclusive governance practices and to equip them with the knowledge they need to welcome and empower those from equity-deserving groups.

**Leslie Woo:** We're very encouraged through our board shift initiative, where we've had not-for-profit corporations and public, particularly municipalities, sign on to an inclusion charter, making the commitment to not only bring people on board, but to work towards their own activities, to retain those individuals and nurture those individuals onto the boards themselves.

**Mary Barroll:** As for Senator Omidvar's Bill S-279, Leslie Woo says it's a good start.

**Leslie Woo:** So, I think it's great to put in place within the system a mechanism for accountability and a lot of awareness around the importance of diversity, equity and inclusion in our governance structures. So absolutely, and the more transparent that we can be about what's happening, the greater I think strides we can make. Because it is the data and the measurements of what we anchor ourselves from, you know, we can't know if we're going up, down or sideways if we don't even know where we stand. So absolutely, it is critical. In the not-for-profit sector, we are in the impact business, and we want to really make sure in terms of our own responsibility to our funders and those who support us that we are walking the talk.

**Mary Barroll:** Wendy Cukier agrees that gathering the data is a critical first step in making systemic changes to the governance of the nonprofit sector, along with the legislative change that Bill S-279 will make if passed into law.

**Wendy Cukier:** Legislation definitely makes a difference. The employment equity legislation applied to federally regulated companies, banks, transportation, communications, they're ahead of the curve in terms of representation, because since 1986, they've had to report on representation and what gets measured gets done. So, legislation is really powerful. We also know that voluntary codes help drive change because they shape norms and so, research that we've done recently shows, for instance, that companies that are part of the 30% club, where they've committed to 30% representation on their boards and in leadership of women, companies that have signed onto the Black North Initiative, and we hope companies that sign on to the 50-30 challenge will actually demonstrate those commitments more than organizations that haven't signed on to those codes, and it's peer pressure. It's what gets measured gets done and staking the turf.

**Mary Barroll:** But why is the makeup of charity and non-profit boards having trouble keeping up with the changes in society, as Leslie Woo says. She trains rising leaders and says sometimes simply connecting them to the opportunities is a problem. And at other times, a lack of confidence among diverse candidates gets in the way.

**Leslie Woo:** Some of them are technically incredibly adept, they've got a profession, but they sort of sit there going, I don't know how or who to call or where do I go? And if I say, well, you go to this website and there's all these opportunities, it's almost overwhelming. And they have found that often they'll put their name, sort of like a cold call, they're not sure which lane to go through, they need a little bit of a navigation, and they don't feel confident that they're qualified to sit in those places. This is a little bit of imposter syndrome, why would anyone want me? I don't have the experience. And we work with them to help them build that confidence because of the type of training, but I think the barriers that they face, it's a combination of the encouragement and the sponsorship from leaders to say, yes, you can do it. And let me introduce you to this organization or that organization, because I think you might be interested in it, and they might be interested in you. So, we are avidly trying to expand the number of rising leaders that we can give more access to the opportunities.

**Mary Barroll:** On the other side of the table, Leslie Woo says boards sometimes stick to their existing social and professional networks and have trouble reaching out to new pools of candidates.

**Leslie Woo:** When they're thinking about who they should bring to the table, they often just look around, you know, open up their contact database as a friend of a friend. And that is a limited pool to go from and oftentimes doesn't have a pathway or a doorway to more diverse communities. So that is when I think about what boards should be doing more of is recognizing that limitation and thinking about other processes other than how they traditionally would go about seeking new board members.

**Mary Barroll:** Wendy Cukier agrees that despite her view that what gets measured gets done, it's not enough simply to get the data on the diversity of boards or to recruit more diverse board members, it's critical to avoid tokenism and to really understand the experiences of diverse leaders to appreciate what systemic changes and attitudinal shifts need to happen for the nonprofit sector to become truly inclusive.

The report extensively explores the experiences of leaders in the sector, why was this important and what did you discover? And how did you actually approach the intersectionality in your research?

**Wendy Cukier:** Well, it's a really good question because we have known, and this has been a recurrent theme, we've known that even though women dominate the sector, their experiences are not always positive and the experiences of things like sexual harassment, especially for women who are in fundraising roles, and of course, in many nonprofits, those are core roles, executives spend a lot of time with potential donors and so on. The experiences of sexual harassment are quite pervasive. We know that when it comes to racialized peoples and Indigenous people and others, there's also evidence that they don't necessarily feel welcome, they don't necessarily feel that they have the same opportunities as others and when we start to look at intersectionality, the combination of some of those things, when we look at racialized women, Indigenous

women and so on, we see the experiences are fairly uneven and often it's not clear whether experiences are being shaped by gender issues or whether it's issues around race.

You know, we talk a lot about the idea that diversity is being invited to the table, and inclusion is being asked to dance, and I think what the research shows is we're definitely moving forward when it comes to diversity, but we have a longer way to go to hit inclusion, where everyone feels valued and can bring their whole self to work.

**Mary Barroll:** Wendy Cukier and Leslie Woo are not alone in feeling that despite the advances being made in DEI in the nonprofit sector, there's still a lot more work to do.

**Anne-Marie Pham:** I think the progression has been positive, but I would like to just put a caveat that we still need to stay vigilant because our society right now is quite polarized and there's quite a bit of misinformation about what is diversity, equity, and inclusion and accessibility. And so, we need to be prepared to have truthful conversations about the value and importance of DEI for ourselves, for our colleagues and for our communities and for our organization.

**Mary Barroll:** That's Anne-Marie Pham, the CEO of the Canadian Centre for Diversity and Inclusion. She's worked with diverse communities and workplaces for 25 years, including the City of Calgary and Spectra Energy and Human Resources and Skills Development Canada. Anne-Marie Pham says she's witnessed an awakening in Canada to the importance of equity, diversity and inclusion. But she adds there continue to be barriers for people from equity deserving groups to advance to leadership positions in charities and nonprofits.

**Anne-Marie Pham:** There are so many barriers, you know, there are barriers around the fit and so, for example, you know, as a Canadian society, when you look at, you know, what a leader looks like in an organization, it may not often look like a member of an equity-deserving group. Historically as a society, we don't have enough exposure and experience in understanding what is an inclusive leader, what does diverse leader looks like and how they act, so there's a lot of unknown factors that I think are part and parcel to our understanding of what it will take for us to really create systems, practices and cultures to invite diverse leadership into our organization.

The other thing too is equity-serving groups often have shared with us the challenges when they join an organization that the leadership of the organization or the people in the organizations don't have a good understanding of the historical and contextual challenges of diversity and inclusion. So, for example, if we're talking about truth and reconciliation towards the first peoples of Canada, do we know what that really means? Have the leaders of an organization read the TRC Commission report and the calls to action? There are 94 calls to actions, and some of them are specific for organizations on how they can commit to truth and reconcili-action. Do folks in the organizations understand their own power and privileges? And when you have diverse leaders joining, do they understand how to leverage their power and privilege to actually amplify diverse leaders and thought leadership in an expansive way, in a way that is dynamic, that perhaps challenges the status quo but allows diverse voices and important community voices to be part of the decision-making process. Those, I think, are very important barriers that we need to understand, to learn about. We may need to try to unlearn

some of the things that perhaps we believe that is not quite equitable or not quite fair for other folks and just to create then, okay, what are some of the strategies, what are the commitments that as an organization I need to consider in order for us to truthfully move towards inclusive leadership in our organization.

**Mary Barroll:** As to Bill S-279, Anne-Marie Pham believes it's an important first step in the nonprofit sector's EDI journey.

**Anne-Marie Pham:** I would say, first of all, it is a step in the right direction. I truly believe that, and I'll give you some context, I worked for the Human Resources and Skills Development Canada and at the time, it was part of the racism-free workplace strategy. And my role was to really provide education and support for employers who were federally legislated under the Employment Equity Act, as well as federal contractors that may be provincially regulated, but because they have a contract with the government of Canada at a certain number with over 100 staff, they had to also commit to employment equity. So, both the legislated employers and the federal contractors had to report every year on their diversity metrics on the four designated groups. Women, visible minorities, which are racialized minorities, persons with disabilities, and Indigenous peoples. Very similar to what Senator Omidvar is proposing. And I would tell you that in my five years working in that role, as I work closely with various employers, I could see that they had to create a system and a structure in their workplace to showcase what they were doing to reach out to diverse communities and diverse talent pools.

They had to think intentionally about how they onboarded their new employees in a way that was inclusive. They had to think of ways in which they could retain their work force. They have to think ways in which they could promote their workforce, and in some places, they were also doing exit strategies to understand why employees left the organization and does it have anything to do with DE&I. So, this is a step in the right direction for me, Mary, in the sense that it's going to really challenge organizations to think differently about the way that they have been hiring diversity and leaders in their organization and think of the ways in which they can do better. And that's why I think measurement is important because when you measure it, you know where you're at. And when you have goals, you know where you want to go.

When it comes to representation of diversity at the leadership level, it is something that is measurable. And so, I think it is important for us to take heart in creating the right processes in place to measure that thoughtfully and as accurately as possible, and then to report on it and have honest conversations about, does this measure make sense for where we are at on our journey? What else can we do to improve or let's celebrate our successes because wow, we've done so well and how can we sustain it? Right? So, the conversation shifts from doing better to sustaining and thriving, and at the end of the day, I think that's what we want for the not-profit sector, you know, is it's such a critical sector for Canada, we want the not-profit sector to thrive and to truly engage the diverse communities that it serves.

**Mary Barroll:** Which brings us back to Bill S-279. It's now in second reading before the Senate. If it passes third reading it will advance to the House of Commons, one step closer to becoming law.

**Terrance Carter:** We can talk about DEI, but we really don't have any metrics to know whether or not the sector is advancing as it should.

**Mary Barroll:** Terrance Carter is a lawyer and one of Canada's leading experts in the fields of charity and nonprofit law. He recognizes that forcing charities to collect and report even more data on their already complicated tax forms may seem onerous, but...

**Terrance Carter:** Well, I think it's fair to say, Mary, anytime that you have additional questions and have to make inquiries, it does add to the work that needs to be done. But I think that the bigger picture is that a charity is like a public trust. You know the concept of charity at common law is very much built upon the concept of a public benefit as in essence of public trust and that's reflected in our Income Tax Act because we have benefits that are provided over to charities that other organizations don't have. So, I think that there is a similarity to federally incorporated for-profit corporations that are offering their publicly traded shares and charities because there's both a public involvement that both of them have and to the extent as a society that we're interested in promoting diversity, equity and inclusion, to have that information available for the charitable sector I think is a good thing and I think it should be encouraged. I have to say a T3010 is never a fun thing to fill out, but I don't think the addition of this particular question is highly problematic.

**Mary Barroll:** But not everyone in the sector is on board. Kate Bahen, managing director of Charity Intelligence, which gathers and provides information about Canadian charities says in more than 17 years at her job she's never heard any donor ask her about the diversity of a charity's board. She adds that her comments are her own opinion and don't reflect that of Charity Intelligence.

**Kate Bahen:** Donors are really focused on outputs and outcomes. I have never received a donor question asking me for the gender or the diversity of the charities board. I mean all of us in everyone's capacity, I think we need to advance equity and ensure that we address systemic discrimination and racism and wherever that is found. This bill as I see it, is to replicate the bill of large Canadian corporations that are required to report diversity to their stakeholders, to their shareholders. And taking that example, where I believe it's 680 large Canadian corporations now need to report, it's taking that as a model to 86,000 charities. I think we all just need to give it, some second thought about data collection.

When I see the sort of proposals that we need to tick more boxes and now there will be new boxes to tick, it's not the way I would like this country to go. I love data and we need more data in the charity sector, but I just don't want this kind of data. The government in Canada has huge powers already, and if it matters to government funding, diversity and inclusion, then every single organization it funds, it can ask as a precondition of its funding, do you have an equity, diversity and inclusive policy? And if this data is material to the government, then it could request that of the charities it funds. So, I just think that there are many alternatives rather than blanketing all 86,000 registered charities in Canada with this legislation. And it may be a sliding scale, maybe we just focus, just like with the corporations, they just looked at, are you publicly listed?

So, it wasn't looking at private corporations or family corporations or, you know, mom and pop convenience stores. It was only looking at 680 very large prominent Canadian

corporations. So maybe we do the same in the charity sector with that sliding scale. This is only applicable to charities that receive over \$10 million in annual donations that are public in that respect rather than every charity across Canada.

**Mary Barroll:** But if Bill S-279 does become law in its current form, and all 86,000 charities will have to file diversity data in their T3010s, Terrance Carter has a concern about what happens to those that don't.

**Terrance Carter:** Bill S-279 does say that if a charity does not complete the question, that the charity can be subjected to revocation. I'm not sure how that got into the bill, it may have been sort of a technical consequence of whoever was drafting the bill. I don't think it reflects what Senator Omidvar was intending. And I also don't think it's necessary because right now, under the Income Tax Act, a charity that either provides incomplete or inaccurate information in their T3010 is subject to sanction. Subject to suspension of the receiving privileges until such time that they complete the T3010. Well, that applies to every question within the T3010. So, I would suggest as sort of a way of improving the bill, which again, I think is a good bill, maybe at committee level is to remove the revocation provision, it's not necessary.

**Mary Barroll:** Leslie Woo of CivicAction also warns of the potential of the diversity representative questions on the T3010 forms to become a tokenistic, check-the-box exercise, creating a performative process without making meaningful change.

**Leslie Woo:** I think the caution, I would say, is around it becoming a checkbox. So, it's one thing to have representation, it's another thing to have inclusion, so it will be really important, it's an important piece of the puzzle. But without the genuine interest by a board to value that diversity as part of everything that it does, it could be short-lived and it might not go as deep as it needs to go within an organization to enable and enact change, so, I think very positive, but it'll still be the responsibility of the organizations to take it to the next level for it to really have a full effect.

**Mary Barroll:** And Kate Bahen questions the reliability of the data that would be collected. She's concerned that aggregating all of it will produce a skewed view of a sector that encompasses such a wide variety of interests.

**Kate Bahen:** You've got 86,000 registered charities in Canada, and about 37% - 40,000 charities are religious organizations. I mean, some religions don't see women in a leadership position. So, is their board of directors meant to reflect the community or their mission? What do you do about some religious organizations and beliefs that don't champion equity and diversity? And when we include their statistics, with all of the charity statistics, we're going to see a very different picture from the current survey results done. So, it's a hot potato, I guess.

**Mary Barroll:** In his comments, Terrance Carter also raised the issue of faith-based charities who may have concerns over the fact that they may never meet the diversity representation that Bill S-279 is intended to inspire, because in some cases it may go against their religious doctrine. But he adds that faith-based charities would be able to participate in the collection of aggregated information through questions in the T3010 without feeling that they were expected to change their governance model which might not otherwise fit into a national median for DEI. Meanwhile, Senator Ratna Omidvar is fully cognizant that there are concerns around personal privacy, the additional work

required to comply with the reporting requirement and that some charities due to the nature of their mission will likely not be able to achieve true diversity in their governance. But she believes Bill S-279 will have sufficient protections to address the concerns and its objective of having clearer data on the diversity representation of the governance of charities across Canada is a worthwhile overarching priority, and a benefit to Canadian society and the charitable sector itself.

**Ratna Omidvar:** I fully accept the fact that there are some charities by nature of their mission, they will only have directors drawn from a certain pool, let's say religious charities or ethno-specific charities. I fully accept the fact that some charities in parts of the country, which are not demographically diverse as let's say our urban areas, will or may not be, I mean, I'm not making any assumptions here. But we're not looking for individual charity information, we're looking for a national picture. And individual charities or sectors, let's say sectors, which are the next thing, maybe cultural organizations may realize that they are either ahead of the curve or behind the curve as compared to environmental charities. We may find that regions of the country are different in different ways, it will provide us with a nuanced picture that can be disaggregated with rationale and understanding of why certain trends are prevailing and why not others. It's as simple as that, I leave it up to the charities themselves to decide on their next steps. The sector has always been a fierce defender of reconciliation, of inclusion, of anti-racism. This is their opportunity to contribute to that conversation in a tangible, meaningful way.

## **MUSIC TRANSITION**

**Mary Barroll:** Bill 279 has been referred to the Finance Committee. The pros and cons of the Bill will be debated when second reading gets underway in the Senate. For Senator Ratna Omidvar it comes as she prepares to close her distinguished nine-year career in the Senate and retire this fall. It's her hope that it be passed into law and become part of her legacy of decades of work supporting the transformation of the Canadian nonprofit sector to be more diverse, equitable, and inclusive, and to better reflect the communities it serves.

**Mary Barroll:** I'd like to thank our guests for sharing their expertise and wisdom on this important subject. But before we go here are some of their final thoughts about the bill, the current state of progress and how to work toward the goals of equity, diversity and inclusion.

**Anne-Marie Pham:** In this time where things are so divided and so polarized, I think we have a stronger responsibility to actually commit to this work even more. So, if you're listening to this podcast, and you are a leader of your organization or you are, an influencer without formal authority, but you can still be a leader of change in DEI. What is your value proposition for this work? Where do you see yourself playing a role in this work? How can I be dynamic in a way that encourages inclusion? And for me, all of these start with your mindset and your commitment to want to do right, not just for you, but really for others. And to build your own emotional intelligence, cultural intelligence and capacity to evolve with the times and to be a champion or ambassador of diversity, equity and inclusion. So yes, I am, optimistic that we will see a shift in years to come. It's not easy, that may make it feel like for every step that we take forward, we're also

taking a step backward, but we cannot remain complacent. We have to actually cross the chasm to a place of real change and innovation, creativity, to help everyone thrive in our society, to be truly the vision for what we want Canada to be.

**Leslie Woo:** Even the organizations who are not moving as quickly, oftentimes they're not a monolith. There are oftentimes within those organizations champions who want to move things forward and if we support those individuals or those small groups, whether outside in the kind of networks and supports we provide them, we will make the change happen, so yes, I am optimistic and despite the fact that also at the same time recognizing it is not going to be a smooth, easy sailing to get to the goals that we want, we should never give up because we have a whole other generation of folks who are calling us all to account.

**Wendy Cukier:** So, I would say in general, I am more optimistic, but Mary, there have been some pretty horrifying examples of backlash. We are seeing, and apologies, I'm sure lots of people don't agree with me, but we are seeing a shift in public opinion around, for example, newcomers. And remember, a high percentage of newcomers are racialized as opposed to, you know, when my father immigrated to Canada. We are seeing, in my view, a level of xenophobia and racism that we haven't seen before for 20 years, for the first time in a long time, there is many people in Canada almost saying, we have too many immigrants, as they're saying, we don't have too many immigrants. And that's a huge shift, and I think it's also frankly wrong because we know as the boomers are retiring. As the Boomers are retiring, there are huge, huge shoes to fill. The good news is there are lots of leaders who are on all sides of the political spectrum that are just saying, you know, we're staying the course.

**Terrance Carter:** Mary, in a nutshell, it's going to provide a tool for conversation at the board level when they're able to compare how their particular charity is doing compared to the general trend within the charitable sector. I think that's very helpful. Not every charity can be a poster child or should be a poster child for all aspects of diversity, equity, and inclusion. There'll be many exceptions which need to be honored, but to the extent that organizations want to be leaders and want to understand what they can do better in achieving DEI, this tool will really help.

**Kate Bahen:** I'm in Toronto. In 1981, 14% of Toronto's population was a visible minority. Today, 57% is a visible minority, there's a sea change underway in this country, I think this country will be better for it. Do we need legislation? I just think we've got enough rules so many times, so many times we have enough good rules on the books. We don't need to bring in new rules, we just need to enforce the rules we've got. That abuse and discrimination cannot be tolerated. Just as an immigrant, I've always been told Canada isn't just a place, it's an ideal. And we're having these conversations, and these are tough conversations, and they're very important conversations to have.



**Ratna Omidvar:** I've had a lot of conversations with stakeholders, and I will continue to have them. And this conversation is an example of that, and I invite your listeners to email me with questions, explanations, opposition, because I'm really open to listening to all of this. The support for this bill is, I would say, pretty strong in the sector organizations. But the sector itself is having a hard time figuring it out how doing this will improve their daily lives. You see what I mean? So, it's a little bit more nuanced. I've also heard real concern from small charities that they already have such a hard time filling out the T3010 and this will augment their stress and hardship. And I accept that, you know, that is a valid point. And I believe the government, along with large sector organizations, have to demystify the requirements, make it simple for them, develop a template approach, as they have done on many, many, many other requirements that are put to the charitable sector. What gets measured gets noted, gets done, and right now, we don't have any measurements. We've had employment equity for years in this country and I believe the employment equity law has served us really well in terms of employment. It's time for governance equity and let's start with governance equity in the charitable sector.

## **MUSIC TRANSITION**

**Mary Barroll:** You can access Bill 279 as well as the Diversity Institute and CivicAction's Report on Diversity and Inclusion in Non-Profit Leadership in Ontario, and all the other reports referenced in this episode of CharityVillage Connects in the show notes with the links to those and other resources. If you want to learn more from any of our subject matter experts featured in this episode, their full video interviews can be found on [charityvillage.com](http://charityvillage.com).

CharityVillage is proud to be the Canadian source for nonprofit news, employment services, funding, eLearning, HR resources and tools, and so much more. Please take a moment to check out our website at [charityvillage.com](http://charityvillage.com).

## **MUSIC TRANSITION**

**Mary Barroll:** In our next episode, a new report by Environics Institute, Future Skills Centre and the Diversity Institute exploring challenges in nonprofit employment has highlighted a disturbing and perhaps surprising finding: job satisfaction in the nonprofit sector appears to be lower than in the private or public sectors. In a sector that focuses on meaningful work, what is driving a significant number of workers to feel dissatisfied? And what does this mean for the future, given the existing talent crunch and the need for recruiting younger Canadians to work in the sector? We discuss these issues, as well as how organizations might turn the tide on improving job satisfaction in their workplace, in the next episode of CharityVillage Connects. I'm Mary Barroll. Thanks for listening.

## **MUSIC OUT**