



October 4, 2013
Via email – comments@osc.gov.on.ca

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The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, Ontario M5H 3S8

Re: Ontario Securities Commission Request for Comment on OSC Staff Consultation Paper 58-401 – *Disclosure Requirements Regarding Women on Boards and in Senior Management* (“OSCP 58-401”)

Dear Secretary,

On behalf of The Vancouver Board of Trade, thank you for the opportunity to provide feedback on OSCP 58-401. The Vancouver Board of Trade is the largest, most active, and most engaged business organization in Western Canada. We are a non-profit organization that has existed for 126 years, and we currently represent nearly 5,000 business members in Vancouver and other communities in B.C. Our organization recognizes the importance of advancing the representation of women on boards and in senior leadership roles. In fact, in 2007, we launched a special program in Western Canada called the Women’s Leadership Circle, with a mission of connecting, supporting and advocating for women in business. On behalf of The Vancouver Board of Trade, and the Women’s Leadership Circle, we strongly commend both the OSC and Government of Ontario for this important initiative.

The Vancouver Board of Trade is committed to helping our member organizations to grow their businesses and attract, develop and retain the best talent from a diverse pool of candidates. In fact, the vision of our Women’s Leadership Circle is for an inclusive business community, which embraces diversity. We are achieving our vision by helping to elevate women through meaningful connections, leadership development and advocacy.

In order to arrive at informed recommendations, The Vancouver Board of Trade Women’s Leadership Circle solicited input from several local business leaders who have extensive corporate management and board experience and particular insight into how to address gender diversity issues in Canadian workplaces.

In brief, our key recommendations are as follows:

- There are a number of effective policies that reporting issuers could adopt for increasing the number of women on boards and in senior management in areas such as recruitment, succession planning, leadership training, recognition and mentorship.
- The Vancouver Board of Trade’s board of directors and members of the Women’s Leadership Circle support the OSC’s suggested model of disclosure requirements regarding women on boards and the accompanying “comply or explain” approach to such disclosure requirements.



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- Similar to Canada Labour requirements, each reporting issuer should be required to disclose on an annual basis their own performance regarding representation of women on their board and their senior management team.
- Each reporting issuer should be required to develop and disclose the policies and procedures, appropriate to their organization and market, that it has implemented and its planned steps in order to achieve greater representation of women at the board level and in senior leadership roles.
- We must provide suggested policies and content to support Canadian businesses as they strive for greater gender diversity in their ranks, and support them to track their progress and performance; however, we must not be too prescriptive given each organization will be different depending on the nature of its business, its industry sector, the diversity of the pool of talent, and the diversity of its customer base and the communities in which it operates.

1. What are the effective policies for increasing the number of women on boards and in senior management?

Programs at various levels of each organization need to be developed and implemented. An effective approach would start with recruitment. Candidate pools must include diverse candidates; the “pipeline” of diverse employees must increase at all levels through various recruitment programs. Then best practices regarding promotions need to be developed. For instance, special attention must be given to the diversity of candidates on succession plans. Education is important as all leaders must be trained in conscious and unconscious biases and on the value of diversity for the success of the business’ strategy. This is crucial to the decision-making process on recruitment and promotions. As well, there should be fair access to leadership training.

A focus on recognition is equally important; we need to celebrate diverse teams and recognize the individuals who lead and inspire them. We also need to celebrate women’s achievements and men championing women. Mentorship, sponsorship and networking should be encouraged and educating both men and women on the value of such is essential. These are just examples of programs that will be effective in increasing women’s representation in senior ranks of an organization and which demonstrate the complexity and breadth of the exercise.

2. What type of disclosure requirements regarding women on boards and in senior management would be most appropriate and useful?

The Vancouver Board of Trade’s board of directors and members of the Women’s Leadership Circle support the OSC’s suggested model of disclosure requirements regarding women on boards and in senior management. Furthermore, as noted on page 3 of the OSC consultation paper dated July 30, 2013, “corporate decision-making benefits from a variety of opinions and viewpoints. This diversity is enhanced when leadership roles are filled with individuals who have different professional experience, education, skills and individual qualities and attributes such as gender, age, ethnicity and cultural background.” We advocate for a movement to expand the overall diversity of corporate boards to reflect the rich diversity of our communities across Canada.



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We do not believe that there is an appetite within corporate Canada for mandated quotas, nor will a “one size fits all” approach be the most beneficial model for Canada. Furthermore, we support the view that the circumstances of each Canadian company will vary and individual boards of directors are best placed to determine the most appropriate policies and targets on gender diversity for their companies.

Achieving gender diversity in senior management roles in a large organization is much more complex than at the board level. Increasing gender diversity cannot be focused only on senior management ranks: the effort has to be undertaken company-wide and requires a cultural shift.

3. Are the proposed scope and content of the model disclosure requirements described in Part 4 of this consultation paper appropriate? Are there additional or different disclosure requirements that should be considered? Please explain.

The Women’s Leadership Circle supports the need for a long-term and thoughtful discussion on the issue of quotas and targets. We do support a made-in-Canada approach: collaboration with the corporate director community, our growing group of member companies, governments, academic institutions, aspiring directors, individual shareholders and institutional investors to speed up the pace of change.

We fully support initiatives such as the CBDC’s Get On Board governance education program, designed to equip board-ready and high-potential diverse candidates with the tools to pursue board placement. Another noteworthy CBDC initiative is Diversity 50, Canada’s only national database of qualified, diverse candidates for corporate board of director appointments.

4. What type of statistics, data and/or accompanying qualitative information regarding the representation of women in their organization should non-venture issuers be required to disclose? Should such disclosure be reported for the non-venture issuer only or for all of its subsidiary entities also?

We believe the statistics, data, and other information that Canadian issuers should be required to disclose are the following:

- Percentage of female employees in their organization on a consolidated basis for their entire corporate group;
- Percentage of female employees in senior leadership roles;
- Percentage of female members on the corporate board;
- Whether or not the organization has a formal gender diversity policy and framework in place.

This information would indicate the level of gender diversity in the organization. However, we note that the interpretation of this diversity data will vary with each organization depending on the nature of its business, its industry sector, the diversity of the pool of talent, and the diversity of its customer base and the communities in



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which it operates. For example, an organization may want to match the diversity of its senior management ranks with its customer base which could be predominantly male or female or of a certain ethnic background.

Ultimately, from the perspective of an investor, a company must have access to the best available talent and have a team of qualified leaders with a diversity of thought which reflects its customer base and community demographics. This will ensure better decision-making and ultimately better shareholder returns. Disclosure requirements should not be counter-productive in this regard.

We do suggest the OSC consider the idea that specific-organizational targets do not need to be disclosed, but the disclosure should require the identification of industry “averages” in each. The idea here is that the senior issuers could show leadership in the area of diversity and there would be something with which to measure the statistics reported by the issuer.

5. *What practices should we recommend for facilitating increased representation of women on boards and in senior management?*

i. **For example, should we recommend that non-venture issuers have a gender diversity policy? If so, should we set out recommended content for the policy?**

Yes, as stated above, issuers should be required to adopt a diversity policy that addresses gender diversity issues and provides a proper governance framework to implement and achieve gender diversity.

We do believe the OSC can and should set out recommended content for the policy; however, we believe the individual organizations should have to adopt only the content and policies that are appropriate for their organization.

ii. **Should non-venture issuers be required to comply with the recommended practices or explain why they have not complied (i.e. a “comply or explain” model of disclosure)?**

The Vancouver Board of Trade’s board of directors and members of the Women’s Leadership Circle support the OSC’s suggested model of disclosure requirements regarding women on boards and the accompanying “comply or explain” approach to such disclosure requirements.

We must provide suggested policies and content to support Canadian businesses as they strive for greater gender diversity in their ranks, and support them to track their progress and performance; however, we must not be too prescriptive, given that each organization will be different depending on the nature of its business, its industry sector, the diversity of the pool of talent, and the diversity of its customer base and the communities in which it operates.

Yours Truly,

Iain J.S. Black
President and CEO of The Vancouver Board of Trade