



A Seat at the Table: Gender Diversity on Saskatoon Region Boards in 2020

Monday, March 8, 2021

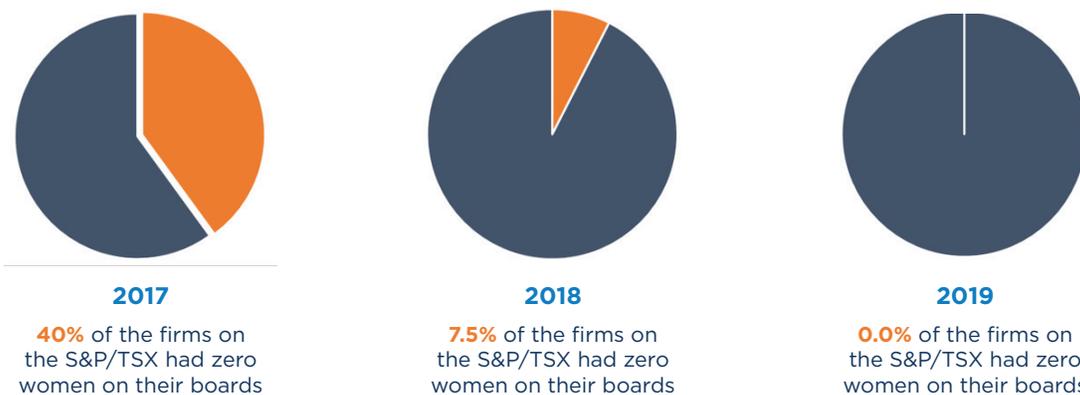
“Women belong in all places where decisions are being made. It shouldn’t be that women are the exception.”

- Justice Ruth Bader Ginsburg

Background

In 2013, TD Economics released a report highlighting the lack of gender diversity on the boards of publicly traded Canadian companies. They emphasized how Canada, a country that should be a leader in gender equality across international rankings, had fallen behind countries with officially implemented diversity policies. Canada's largest securities regulator then introduced a rule in 2015 that required companies listed on the S&P/TSX Composite Index to annually disclose the number of women on their boards and in executive positions. This was intended to encourage gender diversity on boards and in senior management, as well as to drastically reduce the number of boards with no women at all.

Since the implementation of the rule, progress has been made. 40% of firms on the S&P/TSX had zero women on their boards in 2014, but by 2018, this number had dropped to 7.5%. And for the first time – in 2019 – every company on the index had at least one woman on its board. These numbers demonstrate the effectiveness of such policies in driving equality.



Why does gender diversity matter?

Reducing gender inequality makes not just moral sense, but also economic sense. According to the International Monetary Fund (IMF), literature dating back to at least 1970 has highlighted the positive effects of increasing gender equality on economic development. Worldwide, productivity growth and the pace of human development are slowing. Research shows that women are more likely to invest their resources in education and the health of their children, which ultimately builds human capital to fuel growth.

Not only does supporting the development and participation of women in the economy promote growth, but it also diversifies economies, reduces income inequality and contributes to stability in the financial sector. In short, women's full economic participation and leadership are needed to foster inclusive and sustainable economic growth.

Saskatoon Region gender diversity

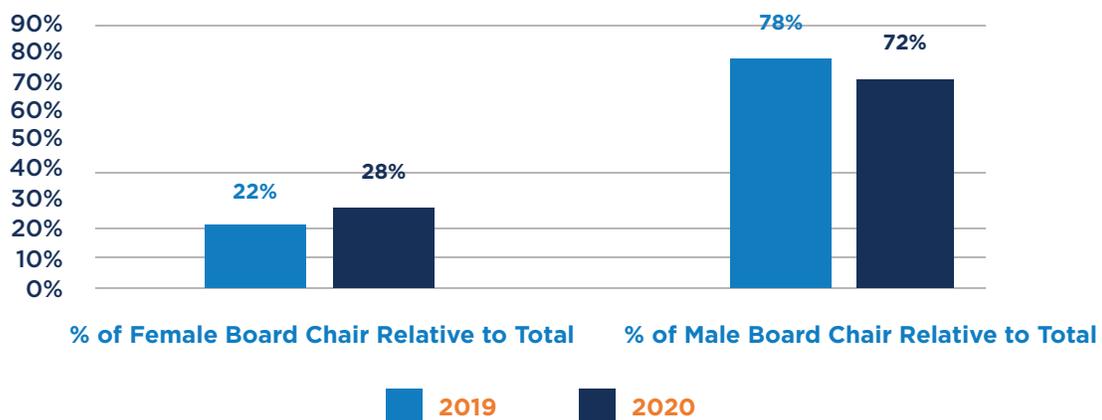
In 2019, SREDA began to track gender diversity in leadership across 50 organizations in the Saskatoon Region. Compared to our 2019 benchmark, our 2020 findings show that some progress has been made. One of our metrics was the average number of board seats held by men and women:

- In 2019, we found that the average number of board seats held by women averaged 3.90 seats while board seats held by men averaged 6.76 seats.
- In 2020, the average number of board seats held by women rose to 4.16 seats, while board seats held by men dropped to 6.60 seats.



More significant progress has been made in the percentage of board chair positions being held by women:

- In 2019, 22.0% of board chairs were women, while the remaining 78.0% were men.
- In 2020, 28.0% of board chairs were women, while the remaining 72.0% were men.



What next?

According to a Women in Work report by PWC, despite improvement in the labour market and increased educational achievement by women, progress towards gender equality has slowed in Canada. In the Saskatoon Region, SREDA will continue to track the trajectory of gender diversity on boards. This will enable our community to have informed conversations about promoting growth for a future where all people can thrive.

Sources

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Our Role

The Saskatoon Regional Economic Development Authority (SREDA) strengthens the local economy so that all people can thrive here. We assist entrepreneurs with starting and expanding their businesses, develop Indigenous economic reconciliation strategies, support the rebound and growth of local businesses and coordinate effective collaboration to encourage growth across the Saskatoon Region.

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