The value of diversity and inclusion in the Canadian construction industry
Executive summary

With baby boomers retiring in droves, the construction industry is experiencing a widening gap in our workforce.

To fill the gap, the industry must focus its recruitment efforts on traditionally underrepresented groups such as women, Indigenous Canadians and new Canadians. One key to attracting these underrepresented groups to the construction industry and retaining them once they’re there: diversity and inclusion as a business strategy.

But is it good for business?
Accelerate innovation with diverse perspectives and new ideas

Diverse perspectives reduce companies’ tendencies to do things the way they’ve always been done and reduce the risk of groupthink; cultural differences can introduce new approaches, and women can introduce fresh perspectives and new ideas about the best way to get the job done. It’s pretty clear: Diverse teams are more equipped to foster innovation. Innovation leads to better results. And results drive company performance and profit.

Reduce employee turnover

Fostering an inclusive culture as part of a robust HR and talent management strategy not only helps to reduce employee turnover, it gives companies a competitive edge when hiring: many feel that a more inclusive organization is a better place to work.

Increase employee productivity and revenue

Exclusionary behaviours work directly against the need to belong, and effectively make an employee or colleague feel like they don’t belong, aren’t welcome, and are not part of the group. That has a direct impact on productivity, and revenue. Exclusion diminishes employee engagement – the mental and emotional connection employees feel toward their place of work – and that’s just bad for business.

Drive a positive safety culture

Immigrant and female workers who have not been integrated into an existing workplace culture face higher or substantial risk of work-related injuries or illnesses. Diversity and inclusion improve safety by enabling input from different stakeholders. It creates engagement among a larger group of people: men and women, different ethnic groups, crafts people, joint-venture partners, trade workers and more. It allows people to speak up in terms of unsafe behavior.
Expand market share with supplier diversity

Minority-owned and women-owned businesses account for a massive amount of revenue and employ scores of people. Working with suppliers that reflect the diversity of a company’s community and customer base is good for business, helps attract and retain top employees, and positions a business positively among customers and, increasingly, improves its position in the market.

Enhance your reputation, expand your customer base

Understanding your customers is critical to business success. If you do not have a diverse set of employees helping you meet customer needs, then you must work much harder to understand the needs of your audience, or you may miss the target. A homogeneous team shares the same background and view of the world and are simply unaware of the many cultural differences that drive behaviour and decision-making.

Diversity & inclusion: it’s just good business

A thoughtful and practical cultural shift toward diversity and inclusion can drive bottom-line profit by sparking innovation, increasing productivity, reducing turnover, improving safety, increasing your market share and customer base, and enhancing your reputation.
# Table of contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive summary</td>
<td>ii</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>The current landscape</td>
<td>2</td>
</tr>
<tr>
<td>No time to wait</td>
<td>3</td>
</tr>
<tr>
<td>Why are they leaving?</td>
<td>3</td>
</tr>
<tr>
<td>Who will replace them?</td>
<td>4</td>
</tr>
<tr>
<td>What is diversity &amp; inclusion?</td>
<td>6</td>
</tr>
<tr>
<td>Drive positive bottom-line impact</td>
<td>8</td>
</tr>
<tr>
<td>By the numbers</td>
<td>8</td>
</tr>
<tr>
<td>How does it work?</td>
<td>9</td>
</tr>
<tr>
<td>Accelerate innovation</td>
<td>10</td>
</tr>
<tr>
<td>Sparking invention</td>
<td>10</td>
</tr>
<tr>
<td>Women increase the IQ</td>
<td>12</td>
</tr>
<tr>
<td>The bottom line</td>
<td>12</td>
</tr>
<tr>
<td>Increase employee productivity and revenue</td>
<td>13</td>
</tr>
<tr>
<td>The cost of exclusion</td>
<td>15</td>
</tr>
<tr>
<td>Reduce employee turnover</td>
<td>16</td>
</tr>
<tr>
<td>The bright side</td>
<td>17</td>
</tr>
<tr>
<td>Drive a positive safety culture</td>
<td>18</td>
</tr>
<tr>
<td>Communication drives safety</td>
<td>19</td>
</tr>
<tr>
<td>Cultural differences matter</td>
<td>19</td>
</tr>
<tr>
<td>Gender differences matter</td>
<td>20</td>
</tr>
<tr>
<td>Positive steps</td>
<td>21</td>
</tr>
<tr>
<td>Expand market share with supplier diversity</td>
<td>22</td>
</tr>
<tr>
<td>Enhance your reputation, expand your customer base</td>
<td>24</td>
</tr>
<tr>
<td>Understanding is critical</td>
<td>24</td>
</tr>
<tr>
<td>Listening to diverse voices</td>
<td>25</td>
</tr>
<tr>
<td>Rewarding and required</td>
<td>25</td>
</tr>
<tr>
<td>Diversity &amp; inclusion: it's just good business</td>
<td>26</td>
</tr>
</tbody>
</table>
Introduction

Awareness of – and appreciation for – diversity and inclusion has risen dramatically in recent years, both in society as a whole and in industry. And while corporations first looked at diversity and inclusion as corporate social responsibility, according to a recent McKinsey study, “companies have increasingly begun to regard inclusion and diversity as a source of competitive advantage, and specifically as a key enabler of growth.”

In fact, a Deloitte study found that when employees feel that their company supports diversity and inclusion, they are 80% more likely to state that the organization provides “great customer service, shares diverse ideas to develop innovative solutions, and works collaboratively to achieve their goals”. A separate study in the American Sociological Review showed that within businesses, gender and racial diversity can help companies to increase sales, attract more customers, get more market share, and earn more profits. And just as importantly to the bottom line, diverse teams understand customers’ and clients’ needs better than homogeneous organizations, leading to better client relations and more focused innovation.

The Canadian population continues to become more diverse, and the Canadian workforce is changing with it. Industry needs to keep up to keep ahead, and this business case demonstrates the clear value of – and need for – diversity and inclusion in Canada’s construction industry.

Who should read this?

As this business case will demonstrate, diversity and inclusion (D&I) is a critical issue for construction company and industry leadership, and D&I initiatives are often driven by HR and company hiring managers. While this business case is an important addition to the toolset of that audience, anyone involved in Canada’s construction industry – from the jobsite to the boardroom and everywhere in between – can benefit from a broader understanding of the impact D&I has on the industry, and the important role they play.
The current landscape

In the next decade, Canada will see more than one fifth of its construction labour force retire from the jobsite.

**TODAY**
1.5 million people are employed in the construction sector.

**IN 1996**
712,000 people were employed in the construction sector.

**BY 2027**
21 per cent of the labour force will be older than 65 years old.

According to BuildForce Canada's 2019 report.¹
No time to wait

And it’s not just about the next decade, it’s happening now:

**THE NUMBER OF UNFILLED JOBS**
in Canada’s construction sector outpaced all other industries and the national average in the first quarters of 2019, according to a recent report by the Canadian Federation of Independent Business.\(^5\)

Nationally, 435,000 private sector jobs went unfilled during the first four months of the year, up 0.1 percentage points from the previous quarter. The vacancy rate in the construction sector reached 4.9% – well above the national average of 3.3%.

In January 2019 BuildForce estimated that 261,000 industry veterans will retire over the next decade, while the industry will only hire 221,300 new recruits. That’s a gap of almost 40,000. Add the expected four per cent increase in labour demands, and the Canadian construction industry will need to attract roughly 80,000 more men and women than it currently expects and retain as much of its current workforce as possible.

**Why are they leaving?**

Blame the boomers. Like other developed countries, Canada faces an aging population and a slower growth rate.

**BY 2028, ABOUT**

22 per cent of the current workforce will be retiring.

And it’s the top end – the veterans – who are leaving, and they can’t be replaced quickly; training is often a years-long process involving apprenticeships.
BUILDING WITH WOMEN

In 2018, women accounted for only 12% of the construction workforce, while making up 47.7% of the national workforce – a stark difference. Most women in construction tend to work in off-site occupations such as business administration, management, sales, etc. Over 76% of women working in the construction industry work in office support occupations for construction establishments. So, while women make up about 12% of construction employment, their share of on-site occupations (skilled trades such as carpenters, bricklayers, boilermakers, etc.) employment is only about 4%. Women in off-site occupations account for about nearly 40% of the off-site workforce. While the numbers have been improving more efforts are required to close this gap.

The difference is even more stark when looking at executive and ownership roles for women. A 2018 report by Statistics Canada notes that “The average share of women-owned enterprises is the highest (35%) in the educational services industry and the lowest (about 7%) in the construction industry.”

Who will replace them?

To fill the gap, BuildForce says the industry must focus its recruitment efforts on traditionally underrepresented groups such as women, Indigenous Canadians and new Canadians.
BUILDING WITH INDIGENOUS CANADIANS

Indigenous participation in construction does not follow the same distribution as population. Manitoba has been successful in attracting Indigenous Canadians to the construction industry; however, despite an estimated 26% of Indigenous Canadians residing in Ontario, the province has the second-lowest share of Indigenous workers in construction. In general, the Western provinces have been successful in attracting Indigenous workers to the construction industry, but more work needs to be done in other regions.8

BUILDING WITH NEW CANADIANS

New Canadians are perhaps the largest untapped resource for the construction industry. In approximately 20 years, immigration will account for all net growth in Canada’s population and workforce.9 According to the Pierre Elliot Trudeau Foundation: “Underemployed high-skilled immigrants are, in effect, a stranded resource, something the country cannot afford, in either economic or social terms. In a highly competitive world, talent follows opportunity, and Canada needs to ensure it remains an attractive destination for the world’s top talent.”10

One key to attracting these underrepresented groups to the construction industry and retaining them once they’re there:

*diversity and inclusion as a business strategy.*
What is diversity & inclusion?

Let’s start off with a couple of simple definitions\(^\text{11}\):

**Diversity** is the range of human differences, including but not limited to race, ethnicity, gender, gender identity, sexual orientation, age, social class, physical ability or attributes, religious or ethical values system, national origin, and political beliefs.

**Inclusion** is involvement and empowerment, where the inherent worth and dignity of all people are recognized. An inclusive organization promotes and sustains a sense of belonging; it values and practices respect for the talents, beliefs, backgrounds, and ways of living of its members.

---

FIGURE 1: Diversity and inclusion
This summary from the Canadian Centre for Diversity and Inclusion wraps it up nicely:

**DIVERSITY IS ABOUT THE INDIVIDUAL.**
It is about the variety of unique dimensions, qualities and characteristics we all possess.

**INCLUSION IS ABOUT THE COLLECTIVE.**
It is about creating a culture that strives for equity and embraces, respects, accepts and values difference.

Diversity and inclusion are about capturing the uniqueness of the individual; creating an environment that values and respects individuals for their talents, skills and abilities to the benefit of the collective.

As Verna Myers, an expert on diversity and inclusion, puts it: “Diversity is being invited to the party; Inclusion is being asked to dance.”

So, is diversity and inclusion good for business?

READ ON
Drive positive bottom-line impact

By the numbers

According to McKinsey’s latest research\(^{14}\), companies in the top-quartile for gender diversity on executive teams were:

- 21 per cent more likely to outperform their national industry median on EBIT margin and 27% on EP margin.

That same research tells us that companies with the most ethnically/culturally diverse boards worldwide are 43% more likely to experience higher profits.

A study in the American Sociological Review\(^{15}\) found that companies reporting the highest levels of racial diversity brought in nearly:

- 15 times more sales revenue on average than those with the lowest levels of racial diversity.

That same study found that for every percentage increase in the rate of racial or gender diversity up to the rate represented in the relevant population, there was an increase in sales revenues of approximately 9% and 3%, respectively.
And, a 2015 Deloitte study showed that diverse companies had:

**2.3 times higher**
cash flow per employee over a three-year period than non-diverse companies did.16

In fact, in a 2019 survey by the Canadian Centre for Diversity & Inclusion17, the majority of Senior Leaders (95%) believe that diversity is a business strategy that positively contributes to innovation, creativity and problem solving. Further, 100% believe that diverse viewpoints add value to their organizations.

How does it work?

The positive impact of diversity and inclusion in companies is the result of many dimensions, touching on productivity, revenue, market share, employee retention, innovation and more. While each has different characteristics and drivers, the bottom line for much of it is... the improved bottom line.

The rest of this business case discusses each of those values in more detail.
Accelerate innovation

Today, diversity and inclusion efforts are standard for many companies. Executives understand that their companies can’t be successful if they don’t have a diverse and inclusive workforce.

According to Forbes¹⁸, “A diverse and inclusive workforce is necessary to drive innovation, foster creativity, and guide business strategies. Multiple voices lead to new ideas, new services, and new products, and encourage out-of-the-box thinking.”

Sparking invention

We often can’t see outside of our own context, and that’s the danger of homogeneous teams: you can’t invent what you can’t imagine. By investing the time and resources to develop diversity, the industry inspires invention outside the norm. Diverse perspectives reduce companies’ tendencies to do things the way they’ve always been done and reduce the risk of groupthink. Diversity sparks true innovation.

“Diversifying the workforce is important for so many reasons, including having different opinions which can mean better problem solving on construction crews,” agrees Karen Sheldrick, General Manager of the Niagara Construction Association. “It’s the right thing to do and it’s important for the industry moving forward. Diversity promotes creativity and enhances problem solving.”¹⁹
“We believe Canada’s diversity is our strength and that inclusivity is the secret to great ideas, innovation and growth. It is not only a social value, but an economic one.

In the boardroom, as in life, multiple perspectives lead to innovative thinking and better performance. In short, there’s money in gender equality and diversity and we need to take advantage of that.”

The Honourable Navdeep Bains
Canadian Minister of Innovation, Science and Economic Development
Women increase the IQ

Case studies from the mining, construction and manufacturing sectors show improved performance when teams include women. Women introduce fresh perspectives and new ideas about the best way to get the job done.\textsuperscript{21}

THE RESEARCHERS NOTE THAT “higher levels of gender diversity can drive up productivity and innovation by introducing new ways of working, strengthening team dynamics and improving decision-making processes.”

And according to research in the Harvard Business Review, the collective intelligence of a team increases with female involvement.\textsuperscript{22} That collective intelligence, the researchers believe, is rooted in how well the group works together. For instance, groups whose members had higher levels of “social sensitivity” were more collectively intelligent. And teams containing more women demonstrated greater social sensitivity and in turn greater collective intelligence compared to teams containing fewer women.

The bottom line

It’s pretty clear: Diverse teams are more equipped to foster innovation. Innovation leads to better results. And results drive company performance and profit.
Increase employee productivity and revenue

Maslow recognized in his hierarchy of needs that the need to belong, to feel part of an organization or group, is as ingrained in us as the need to eat and to breathe.

Exclusionary behaviours work directly against that need, and effectively make an employee or colleague feel like they don’t belong, aren’t welcome, and are not part of the group. That has a direct impact on productivity and revenue.

Jane O’Reilly of Ottawa’s Telfer School of Management found five scientifically supported realities of social exclusion that play an important role in workplace dynamics:

1. **Social exclusion is a psychologically painful experience** and can have a more negative impact on employees’ sense of organizational commitment and engagement than workplace harassment.

2. **Seemingly minor acts of exclusion can have a detrimental impact on employees.** While seemingly minor, such acts are linked to ambiguity and confusion.

3. **Social exclusion is relatively common:** in a recent study 71% of surveyed employees had experienced some instance of social exclusion in their workplace in the previous six months.

4. **Social exclusion is often unintentional (although not always).** Social exclusion often occurs because of oversight, or because employees feel as though they cannot connect on an interpersonal level with their colleagues.

5. **When managing social exclusion, the best defense is a good offense.** The best way to avoid the negative outcomes associated with social exclusion is to proactively encourage an inclusive and civil climate amongst employees.
A 2017 study from the UBC Sauder School of Business reveals that being ignored at work is actually worse for physical and mental well-being than bullying. The UBC Sauder researchers found that while most consider ostracism less harmful than bullying, feeling excluded is significantly more likely to lead to job dissatisfaction, quitting and health problems.

Additional surveys revealed that people who claimed to have experienced ostracism were significantly more likely to report a degraded sense of workplace belonging and commitment, a stronger intention to quit their job, and a larger proportion of health problems.

Exclusion diminishes employee engagement – the mental and emotional connection employees feel toward their place of work – and that’s just bad for business.

**Employee engagement:**
- **Increases employee safety.** A 2016 Gallup study showed that business units with engagement scores in the top quartile of Gallup’s employee engagement database have 70% fewer safety incidents compared with bottom-quartile units.
- **Lowers absenteeism.** Another Gallup study noted that highly engaged workplaces saw 41% lower absenteeism.
- **Increases quality.** That same Gallup study also notes that highly engaged workplaces saw 40% fewer quality defects.
- And the list goes on...

**Engagement is good for business, exclusion is bad.**

**HOW BAD?**
The cost of exclusion

**Average Annual Salary**

$41,936 per year

or $21.51/hr, in Canada’s construction industry (according to newvoo.ca).^28

**Average Productivity Time Lost**

4,885 hours

for a company of 100 employees due to exclusionary behaviours (according to a University of Houston study).^27

**Total Loss in Compensation**

$105,075 per year

for a 100-person company due to a loss in employee productivity.
Reduce employee turnover

The math is simple:

**IN A 100-PERSON COMPANY,**

71 employees

will experience exclusionary behaviour at least four times in a year.  

**OF THOSE EMPLOYEES,**

25 per cent

will be impacted by exclusionary behaviour resulting in lost time.

65 per cent

who are impacted by exclusionary behaviour will likely quit.

Across Western Canada, the average cost of processing turnover of a construction employee – this includes the time of the HR team, working with recruiters, the interview process and assorted regulatory requirements – is $19,440.  

That’s $213,840 in employee turnover costs, 100% attributable to a lack of inclusion. And that number doesn’t even take into account the $105k+ in lost productivity time before the employees quit.
The bright side

HERE’S THE GOOD NEWS:
reduce exclusionary behaviour,
help reduce employee turnover.

In fact, fostering an inclusive culture as part of a robust HR and talent management strategy not only helps to reduce employee turnover, it actually gives companies a competitive edge when hiring: many feel that a more inclusive organization is a better place to work.

A recent Forbes study\(^{31}\) cited diversity and inclusion policies as powerful recruiting and retention tools, helping to broaden the pool of talent a company can recruit from, while also helping to build an employment brand that is seen as fully inclusive. “If you want to attract the best talent, you need to be reflective of the talent in that market,” said Eileen Taylor, Deutsche Bank’s global head of diversity.

The experts at McKinsey agree that inclusion increases employee satisfaction and reduces conflict between groups. The result is improved collaboration and loyalty, higher employee retention, and an environment that is more attractive to high performers.\(^{32}\)
Drive a positive safety culture

Studies show that immigrant and female workers who have not been integrated into an existing workplace culture face higher or substantial risk of work-related injuries or illnesses.\(^{33}\)

According to the U.S. CDC, in 2006, Hispanic workers had a fatality rate of 5.0 per 100,000 compared with 4.0 for white workers and 3.7 among black workers. 34% of such deaths from 2003-2006 occurred in the construction industry.\(^{34}\) The U.S. Bureau of Labor Statistics (2008) details that 8% of total jobsite fatalities involve women workers. The risk is high considering that tradeswomen only account for 2-3% of construction workforce.\(^ {35}\)

The most recent statistics from the Association of Workers’ Compensation Boards of Canada (AWCBC) tell us that:

\[
\begin{align*}
\text{IN 2017} \quad & \quad 917 \\
\text{workplace fatalities were recorded in Canada.} \\
\text{OF THOSE,} \quad & \quad 219 \\
\text{were in construction.}
\end{align*}
\]

Construction workers account for almost one quarter of all workplace fatalities in the country. Add to that the 26,510 lost time claims in construction in the same period, and the impact is undeniable, both in dollars and in human suffering.
Communication drives safety

Clearly, safety is job one in the construction industry. Diversity and inclusion improve safety by enabling input from different stakeholders. It creates engagement among a larger group of people: men and women, different ethnic groups, crafts people, joint-venture partners, trade workers and more. It allows people to speak up in terms of unsafe behavior. It facilitates a caring culture, and it helps us to challenge traditional or "macho" ways of behavior that can have a negative impact on safety.

That clear and caring communication also helps us to more quickly identify other issues that can negatively impact safety, including issues of mental health. The "tough guy" stigma makes it difficult to ask for help, and a lack of inclusion makes it difficult to recognize when help may be needed.

Cultural differences matter

Cultural context can impact safety at work, from a basic understanding of the job and the requirements to how a worker interacts with his or her co-workers. New Canadians may be accustomed to different standards of safety and different procedures, and they may react and adapt differently to various circumstances. And of course, basic language differences create a host of issues around understanding procedures and instructions and communicating safety concerns.

In an inclusive environment, employers learn about these cultural differences and develop effective strategies to integrate these workers into the existing company culture, improving the overall safety culture of the organization.
Gender differences matter

Gender differences – and specifically the dominance of male culture in construction – can also create safety challenges. One example is around the availability and proper fit of personal protective equipment [PPE]. Most safety equipment has been designed for a largely male workforce and is not up to the requirements of a modern workforce that includes women.

That can cause several issues, as pointed out in a study by the Industrial Accident Prevention Association and the Ontario Women’s Directorate 36.

“Ill-fitting PPE does not protect at all. Moreover, it poses an unnecessary risk to the health and safety of the women wearing it:

- **Awoman with a small face wears the goggles available in the shop. The gaps they leave at her temples allow flying debris from her machine to enter her eyes.**

- **A female worker in a sawmill can only get small men’s-sized gloves; the fingers are too long and too wide, the palm area too large, and the cuff allows sawdust to fill the fingers. She risks getting her fingers caught in machinery and pinched when she stacks or carries boards.**

- **A woman who wears men’s-sized work boots complains of tripping while walking and climbing stairs or ladders. She suffers from blisters and burning on the soles of her feet. Also, because her boots are too large, her toes are not protected by the steel cap.”**
Positive steps

An inclusive worksite drives a positive safety culture. The Builders Code Acceptable Worksite Pledge (Figure x) is a good example of a great first step toward a more inclusive and safe construction industry.

FIGURE X:
Builders Code Acceptable Worksite Pledge
Suppliers diversity is important to any business for many reasons, not the least of which is the bottom line: minority-owned and women-owned businesses account for a massive amount of revenue and employ scores of people.

The Canadian Centre for Diversity and Inclusion summarized the benefits of supplier diversity to business very well in their 2016 report, “Supplier Diversity in Canada.”

As we look to support the business case for supplier diversity, we found that the research identified a number of important benefits the practice has brought Canadian organizations, including:

- Increased competition among vendors, leading to better pricing and more innovative products and services;
- Increased flexibility and just-in-time delivery from vendors;
- Building the most-qualified supplier pool;
- Reducing supply chain risk, by engaging multiple, capable suppliers;
In the construction industry in particular, community relations are critical. Working with suppliers that reflect the diversity of a company’s community and customer base is good for business, as confirmed by Strategy+Business\textsuperscript{39}: “When a company makes a commitment to the community part of its core business strategy, it not only helps attract and retain top employees, but it also positions itself positively among customers and, increasingly, improves its position in the market. Positive, proactive connections to the community can translate into a boost to the bottom line.”

- Increased access to ethnic or diverse markets;
- Meeting customer expectations for diversity;
- Community relationship building; Building economic capacity and prosperity in the community;
- Building stakeholder relationships and goodwill;
- Increased brand recognition within the community with improved public and client relations;
- Customization of products or services can be easier with smaller diverse vendors;
- Improved employee engagement.
Enhance your reputation, expand your customer base

As our population becomes more diverse, so too does our need to meet that diversity with diversity: to effectively serve a diverse customer base, you need a diverse team. If you work with a regional, national, or international customer base, then the variety of cultures, religions, ethnicities and races you serve goes up even more. And of course, women own an increasing share of your target customer base.

Understanding is critical

Understanding your customers is critical to business success. If you do not have a diverse set of employees helping you meet customer needs, then you have to work much harder to understand the needs of your audience, or you may miss the target. A homogeneous team shares the same background and view of the world and are simply unaware of the many cultural differences that drive behaviour and decision-making.

A study by the Harvard Business Review found that a team with a member who shares a client’s ethnicity is 152% more likely to understand that client than another team.
Listening to diverse voices

The study also discovered that having a lack of diversity in leadership presented a significant barrier to diverse perspectives:

“WITHOUT DIVERSE LEADERSHIP, women are 20% less likely than straight white men to win endorsement for their ideas; people of color are 24% less likely; and LGBTs are 21% less likely. This costs their companies crucial market opportunities, because inherently diverse contributors understand the unmet needs in under-leveraged markets.”

Rewarding and required

And diversity is not just good for business; more and more, it’s required. According to a recent McKinsey study⁴¹, diversity not only improves a company’s global image, it also grants it a license to operate: “Even before the current climate raised the stakes on I&D, companies who were leaders in this space benefitted from an enhanced reputation extending beyond their employees to their customers, supply chain, local communities, and wider society. Recent highly publicized issues with gender and racial discrimination highlight that, for many companies, this is also a matter of license to operate.”
Diversity & inclusion: it’s just good business

As our society and workforce change, so too must our industry if it hopes to keep pace. Diversity and inclusion are about embracing that change through authentic cultural change and, in the case of the Canadian construction industry, gaining proven positive benefit.

A thoughtful and practical cultural shift toward diversity and inclusion can drive bottom-line profit by sparking innovation, increasing productivity, reducing turnover, improving safety, increasing your market share and customer base, and enhancing your reputation.
Endnotes

1. McKinsey & Company, Delivering through Diversity, January 2018
2. Deloitte Australia, Waiter, is that inclusion in my soup?: A new recipe to improve business performance, April 2015
4. BuildForce Canada, Construction and Maintenance Looking Forward, January 2019
7. Statistics Canada, Women-owned Enterprises in Canada, September 2018
8. BuildForce Canada, Representation of Indigenous Canadians and Women in Canada’s Construction and Maintenance Workforce, July 2018
11. Ferris State University, https://www.ferris.edu/htmls/administration/president/diversityoffice/definitions.htm
12. Canadian Centre for Diversity and Inclusion, Diversity Defined, 2019
17. Canadian Centre for Diversity & Inclusion, National Diversity & Inclusion Benchmarking Study, 2019
18. Forbes Insights, Fostering Innovation Through a Diverse Workforce
20. LinkedIn, Minister Bains – Letter to the Editor, January 2018
Canadian Construction Association

The value of diversity and inclusion in the Canadian construction industry


23 Jane O’Reilly, Medium Magazine, 5 Proven, Yet Overlooked Realities of Social Exclusion at Work, 2016

24 UBC Sauder School of Business, Is negative attention better than no attention? The comparative effects of ostracism and harassment at work, 2017

25 Gallup, Engaged workplaces are safer for employees, May 2016

26 Gallup, State of the American workplace, 2018


28 Nuevoo.ca, Construction Salaries in Canada, 2019


30 TORCH, Western Canada HR Trends Report, 2017

31 Forbes Insights, Fostering Innovation Through a Diverse Workforce

32 McKinsey & Company, Delivering Through Diversity, 2018


34 Center for Disease Control, Morbidity and Mortality Weekly Report, 2006


36 IAPA, Ontario Women’s Directorate, Personal Protective Equipment for Women-Addressing the Need, 2006

37 http://supplierdiversitycanada.ca/faq-page

38 Canadian Centre for Diversity and Inclusion, Supplier Diversity in Canada, 2016

39 Bradley K. Googins, Strategy+Business, Why Community Relations is a Strategic Imperative, 1997


41 McKinsey & Company, Delivering Through Diversity, 2018
The Canadian Construction Association is committed to the success of the Canadian construction industry and is working with our partners to help companies adopt diversity and inclusion initiatives.

To learn more about what we’re doing, visit cca-acc.com