

# **4**

## **The contribution of FDI to diversity and inclusion in the labour market**

---

This chapter examines the contribution of FDI to the creation of a more diverse and inclusive Canadian workforce, focusing on women, Indigenous peoples, immigrants, and persons with disabilities. The chapter relies on a variety of national and international statistics and on the OECD business consultation on sustainability practices of domestic and foreign firms in Canada.

---

## 4.1. Summary of key findings

A workforce that reflects variety in gender, sexual orientation, ethnicity, race, religion, abilities is a key resource for an economy. A diverse workforce is not only ethically desirable, but also offers a richer talent pool and a wider range of perspectives. This in turn can improve problem solving, responsiveness to consumer needs and overall business performance. Canada has one of the highest female labour market participation rates in the OECD area (75.6%), but significant gender inequalities remain in terms of time spent in unpaid work, pay and professional development. Indigenous peoples participate less in the labour market and are predominantly employed in low-wage sectors and occupations. They are also less likely to have a tertiary education. Immigrants make a large contribution to the Canadian labour market, supporting labour force growth and filling labour shortages in many sectors, but they face challenges in relation to their skill utilisation. People with disabilities are less likely to find a job than people without disabilities, and face systematic barriers to employment, including stigma, stereotypes, physical and logistical barriers.

FDI and foreign companies could further influence the creation of a more diverse and inclusive labour market in Canada for women, Indigenous peoples, immigrants, and persons with disabilities. FDI stocks are largely concentrated in the primary sector (particularly in mining and oil and gas extraction), business and support services (i.e. management of companies and enterprises), manufacturing, finance and real estates, and wholesale and retail trade. Less than one-third of women and just over one-third of Indigenous peoples, immigrants, and persons with disabilities work in these sectors. New establishments of foreign companies (i.e., greenfield FDI) are also mainly concentrated and create more job opportunities in the primary, manufacturing, and trade sectors. The impact of FDI can vary across the vulnerable groups. For instance, FDI in mining may create many jobs for Indigenous peoples given the geographic location of oil and gas sites but less for women or persons with disabilities.

The results of an OECD business consultation conducted for this study suggest that Canadian companies may be more aware of the importance and committed to promoting diversity in the workplace than affiliates of foreign multinational enterprises (MNEs). This is reflected in the fact that Canadian companies that participated in the consultation have a higher share of women, Indigenous peoples and persons with disabilities than foreign companies, as well as a higher share of managers among these vulnerable employee groups. On the other hand, the foreign companies surveyed have a larger share of foreign workers, including foreign managers.

The OECD business consultation also shows that a higher share of the Canadian companies surveyed use inclusive workplace practices (e.g. inclusive hiring strategies, diversity training) than foreign companies. The foreign companies, however, seem to attach more importance to training than the domestic companies consulted, in line with existing international evidence. A higher proportion of the foreign companies offer formal training and they also have a higher proportion of people from vulnerable groups who have received training. The consultation is not based on a representative sample of companies, however, and therefore further investigation is needed to assess the impact of FDI and the practices of foreign firms in the area of diversity and inclusion. This would require adequate statistics at the intersection of foreign ownership and diversity and inclusion in the workplace.

## Policy considerations

- Continued policy efforts and gender mainstreaming in all policy areas, including investment, will be crucial to achieve a diverse and inclusive labour market. Women, Indigenous peoples, immigrants and persons with disabilities face various barriers and discrimination in the labour market. The strong commitment of successive Canadian governments has enabled important steps forward, but further efforts by all policy actors will be crucial to eliminate persisting barriers.
- Improving the representation of vulnerable groups in sectors where Canada attracts or wants to attract more investment will be crucial to ensure that employment opportunities created by foreign companies are fairly shared among all workers, including those from vulnerable groups. Invest in Canada can actively work with other government entities to ensure that solutions are designed to increase the participation of vulnerable groups in these priority sectors, including by providing data and monitoring the impact of FDI.
- Canada can play an important role in conveying to foreign investors the importance of values such as diversity and inclusion of vulnerable workers in the labour market. The OECD business consultation shows that Canadian companies have a more diverse workforce and use more inclusive workplace practices than foreign companies, probably because values such as diversity and inclusion of vulnerable people are embedded in their corporate culture. Canadian IPAs can play a role by organising or participating in information campaigns, initiatives and events, or by prioritising investments that attach greater importance to diversity and the inclusion of vulnerable people.
- Some of the existing programmes and incentives to attract foreign companies could be linked to diversity and inclusion objectives to support the spread of more inclusive workplace practices. However, it is important that such programmes and incentives are designed in a transparent manner and that their costs and benefits are regularly evaluated.
- Canadian IPAs could collaborate with other government authorities to help design training programmes for workers from vulnerable groups involving foreign companies. The results of the study show that foreign companies attach more importance to training and use more elaborate training practices to develop skills and retain talent (Chapter 3). They are also better able to identify the skills required by the labour market.

## 4.2. Diversity and inclusion in the Canadian labour market: an overview

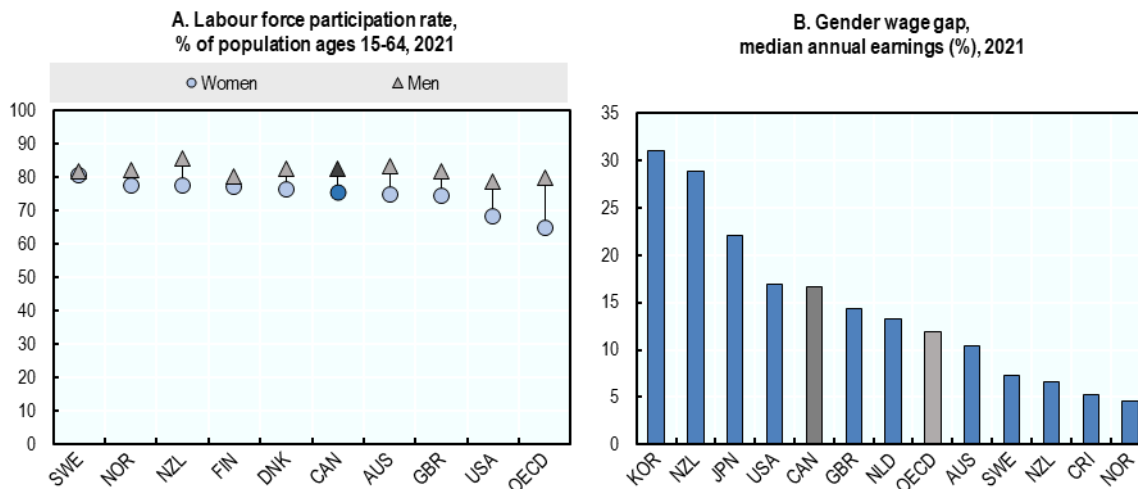
### 4.2.1. Gender inequalities persist in the labour market

Canada has one of the highest female labour market participation rates in the OECD area, at 75.6% for the population aged 15 to 64, similar to other economies with a strong commitment to gender equality such as Sweden, Norway, Finland and Denmark (Figure 4.1, Panel A) (Box 4.1). Moreover, the gender gap in labour force participation is among the lowest in the OECD area (5.5% compared to 9.8% in the OECD average). Labour market participation rates, however, tend to be lower among women from Indigenous and immigrant groups (Statistics Canada, 2022<sup>[1]</sup>; Statistics Canada, 2023<sup>[2]</sup>).

Women spend fewer hours than men in paid work. About 24% of women work part-time, compared to 13% of men. The percentage of women who work part-time is similar to the OECD average (24.7%), while that of men is higher (about 10% in the OECD average). In contrast, women devote more time than men to unpaid work, i.e. domestic work, childcare and care of the elderly. They spend on average 223 minutes per day on unpaid work, 75 minutes more than men. The gap is lower than the OECD average of 127

minutes and similar to countries such as Finland (78 minutes), Norway (59 minutes), and Denmark (57 minutes) (OECD Gender Portal, (2023<sup>[3]</sup>)).

**Figure 4.1. Canada has a high female labour force participation, but a significant gender wage gap**



Source: OECD (2023<sup>[3]</sup>), Gender Portal, <https://www.oecd.org/gender/data/>.

#### Box 4.1. Terminology and concepts

**Gender:** Gender refers to the personal and social identity of an individual as a man, woman or non-binary person. Gender is a different concept from sex at birth, which is understood primarily in terms of physical and biological characteristics (e.g. chromosomes). Although referring to different concepts, the two terms are often used interchangeably, especially in statistical definitions. This report also uses them interchangeably and the term gender essentially refers to the binary difference between men and women. Although LGBT (lesbian, gay, bisexual and transgender) people are also subject to discrimination in the labour market, this report focuses solely on women. This is largely explained by the lack of labour market statistics on LGBT people.

**Indigenous peoples:** Indigenous or Aboriginal peoples are terms that refer to the original peoples of North America and their descendants. The Canadian Constitution (Constitution Act, 1982, Section 35 (2)) recognises three groups of Indigenous peoples: Indians (more commonly called First Nations), Inuit and Métis. These are three distinct peoples with unique histories, languages, cultural practices and spiritual beliefs. Indigenous peoples also include those who are registered under the Indian Act of Canada (Registered Indians) or persons who belong to a First Nation or Indian band that has signed a treaty with the Crown (Treaty Indians). For First Nations, a further differentiation is whether individuals live on or off the reserve. Definitions of Indigenous groups can change in the various Canadian statistical sources due to the blurred boundaries of Indigenous groups.

**Immigrant status:** Immigrant status indicates whether the person is a non-immigrant, an immigrant or a non-permanent resident of Canada. A non-immigrant person is a person born in Canada (and therefore with Canadian citizenship). An immigrant person is a person born outside Canada with permanent resident (or landed immigrant) status. A recent immigrant is a person who has obtained a permanent resident status up to five years prior to a particular census year (e.g., 2021). A non-

permanent resident is a person from another country with a usual place of residence in Canada who holds a work or study permit or who has applied for refugee status. The terms foreign national and foreign worker refer to both immigrants and non-permanent residents in this report. Not all foreign workers can be considered 'vulnerable' workers and some of them may be highly educated and have highly paid jobs.

**Disability:** According to the Canadian Survey of Disability (CSD), disability is the result of the interaction between a person's functional limitations and barriers in the environment, including social and physical barriers that make daily functioning more difficult. The CSD covers various types of disabilities, including those related to development, memory, dexterity, learning, seeing, hearing, mental health, mobility, flexibility and pain. The CSD also classifies four classes of disability severity, based on the intensity and frequency of activity limitations: mild, moderate, severe and very severe.

Source: OECD elaboration based on Statistics Canada (2021<sup>[4]</sup>), Gender of person, <https://www23.statcan.gc.ca/imdb/p3Var.pl?Function=DEC&Id=410445>; Statistics Canada (2022<sup>[5]</sup>), Indigenous peoples and communities, <https://www.rcaanc-cimac.gc.ca/eng/1100100013785/1529102490303>, Statistics Canada (2017<sup>[6]</sup>), 2016 Census of Population: Immigration and ethnocultural diversity, <https://www12.statcan.gc.ca/census-recensement/2016/ref/98-501/98-501-x2016008-eng.cfm>; Statistics Canada (2022<sup>[7]</sup>), Measuring disability in Canada, <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2022062-eng.htm>.

Women and men are employed in different sectors and professions. About 90% of women work in services, compared to 70% of men. They are concentrated in health and social care, educational services, retail trade, professional, scientific, and technical services, finance and insurance. Only 6% of women work in manufacturing (compared to 12% of men), just over 2% in construction (compared to 13% of men) and about 2% in agriculture and forestry, mining and energy (compared to 7% of men) (Statistics Canada, 2023<sup>[8]</sup>). Women are also more likely to be in lower-skilled occupations, such as administrative, service support and paraprofessional occupations, while many more men are in managerial, professional and technical occupations (Statistics Canada, 2023<sup>[9]</sup>).

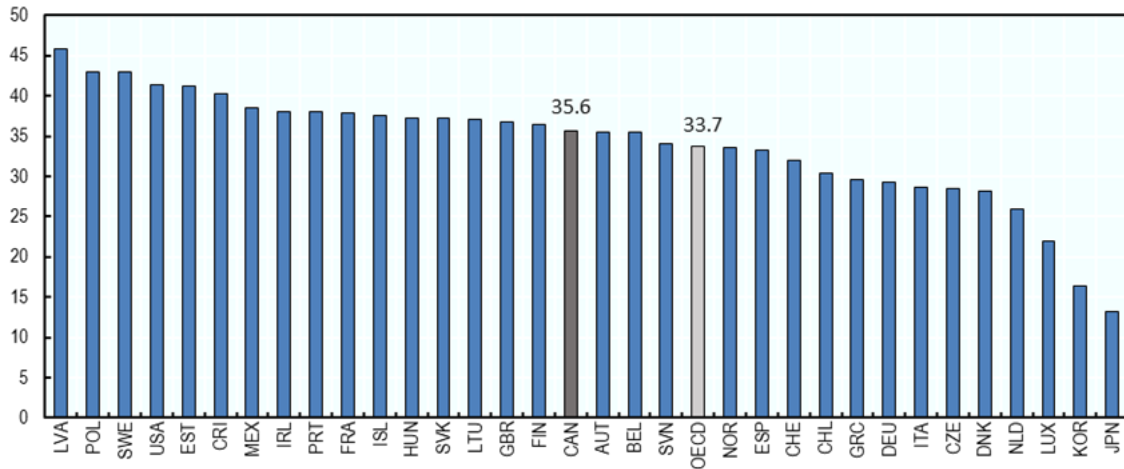
The gender wage gap persists in Canada, regardless of how it is measured. For full-time employees, the difference between women's and men's median annual earnings relative to men's median annual earnings is 16.6%. This figure places Canada among the ten OECD countries with the worst gender wage gap (Figure 4.1, Panel B). Examining the hourly rate, a measure that takes into account the fact that men work more hours than women, shows that women earn on average about 89 cents for every Canadian dollar earned by a man (Government of Canada, 2021<sup>[10]</sup>). Recent research has shown that about three quarters of the wage gap between men and women with similar qualifications relates to differences within firms. This mainly reflects differences in tasks and responsibilities and, to a lesser extent, differences in pay for jobs of equal value. The remaining quarter of the wage gap between men and women stems from the concentration of women in low-wage companies and sectors (OECD, 2023<sup>[11]</sup>).

In Canada, as in all OECD countries, women are under-represented in managerial and leadership positions. This is due to the so-called 'glass-ceiling', an invisible barrier explained by demographic characteristics (e.g., gender, race) rather than skills or performance (OECD, 2017<sup>[12]</sup>). In Canada, about 36% of managers are women, a slightly higher proportion than the OECD average of 33.7% (Figure 4.2).

The share of women on company boards is even lower, at around 20% in private companies and around 25% in listed companies (Statistics Canada, 2022<sup>[13]</sup>).

Figure 4.2. The share of female managers is above the OECD average

Share of female managers (%), 2021

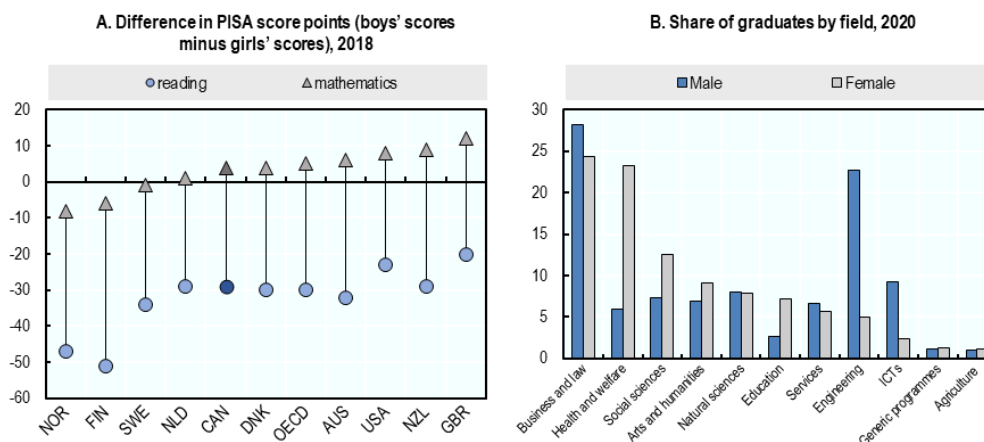


Source: OECD (2023<sup>[3]</sup>), Gender Portal, <https://www.oecd.org/gender/data/>.

In the field of education, women have long surpassed men: 75% of women aged 25-34 have a tertiary degree in Canada, compared to 58% of men OECD (2023<sup>[3]</sup>). The figure for women puts Canada in second place after Korea in the OECD area. At the same time, gender differences persist in academic achievement. OECD PISA tests show that girls' reading skills exceed those of boys in Canada, as well as in all OECD countries (as shown by the negative difference between boys' scores and girls' scores) (Figure 4.3, Panel A). However, boys perform better in mathematics (as indicated by the positive difference between boys' scores and girls' scores), although the gap with girls is smaller than in the OECD average.

Women and men also differ in their choice of fields of study. In graduate studies, women tend to choose business, administration and law, health and welfare and social sciences, while a much higher proportion of men is found in engineering and ICT studies (Figure 4.3, panel B). Recent estimates show that among high school graduates in Canada, women are 29.8 % less likely than men to enrol in a post-secondary STEM programme immediately after graduation (Chan, Handler and Frenette, 2021<sup>[14]</sup>). Furthermore, among young STEM graduates (aged 25-34), men are more likely than women to work in STEM occupations (Statistics Canada., 2017<sup>[15]</sup>). These gender gaps in academic fields are reflected in the workforce and perpetuate gender inequalities in pay and career progression.

**Figure 4.3. Girls have higher scores than boys in reading but lower scores in mathematics and select less engineering and ICT as study subjects**



Source: OECD (2018<sub>[16]</sub>), PISA Database, <https://www.oecd.org/pisa/data/2018database/>; <https://www.oecd.org/pisa/data/2018database/>.

#### Box 4.2. A conceptual framework to study the impact of FDI on vulnerable workers

The FDI Qualities Initiative provides a framework for analysing the impact of foreign direct investment (FDI) on the sustainable development of host countries. It comprises the FDI Qualities Indicators, the FDI Qualities Policy Toolkit and the Council Recommendation on FDI Qualities. All three pillars have a gender dimension. The FDI Qualities Indicators on gender help assess the impact of FDI on gender equality outcomes in the labour market (e.g., female labour force participation, gender wage gap). The gender component of the Policy Toolkit provides governments with policy guidance and best practices for attracting and retaining sustainable investment that supports gender equality. In addition, the OECD Council Recommendation on FDI Qualities offers a concise set of key policy principles to improve the positive contribution of international investment to the SDGs, including SDG 5 on gender equality.

The gender dimension of the FDI Qualities Initiative offers a useful conceptual framework to study the impact of FDI also on other groups of vulnerable workers, such as immigrants, Indigenous peoples and persons with disabilities. This is because these vulnerable groups face discrimination and barriers in the labour market similar to those faced by women. For example, in most countries these groups of vulnerable workers tend to work in lower-paying sectors and are paid less for jobs of equal value than non-vulnerable reference groups (e.g. non-immigrants). The mechanisms through which FDI can promote or hinder their integration into the labour market are also similar. In particular, FDI may encourage or impede the integration of these vulnerable workers into the labour market by influencing the development of sectors or activities in which these people tend to be employed. FDI may also support or hinder the economic inclusion of these groups through the activities and practices of affiliates of foreign MNEs in host countries. For example, foreign affiliates can create good employment opportunities for vulnerable workers and support their professional development through training and inclusive workplace practices.

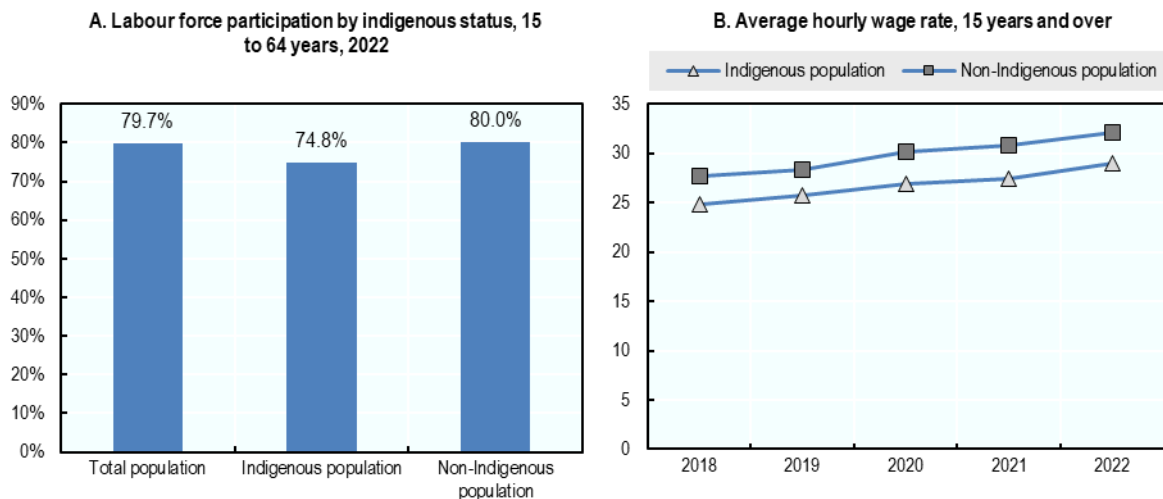
Source: OECD (2019<sub>[17]</sub>), FDI Qualities Indicators: Measuring the sustainable development impacts of investment, <https://www.oecd.org/fr/investissement/fdi-qualities-indicators.htm>; OECD (2022<sub>[18]</sub>), FDI Qualities Indicators 2022, <https://www.oecd.org/investment/fdi-qualities-indicators.htm>; OECD (2022<sub>[19]</sub>), FDI Qualities Policy Toolkit,

<https://doi.org/10.1787/7ba74100-en>; OECD (2022<sup>[20]</sup>), Recommendation of the Council on Foreign Direct Investment Qualities for Sustainable Development, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0476>

#### 4.2.2. Indigenous peoples have worse labour market outcomes than the rest of the population

The Indigenous population in Canada has historically had lower labour force participation rates and employment rates than the non-Indigenous population (OECD, 2019<sup>[21]</sup>) (Box 4.1). Data from 2022 show that labour force participation of Indigenous people between 15 and 64 years old is about 75%, 7 percent points lower than non-Indigenous people (Figure 4.4, Panel A). There are however significant differences between Indigenous groups, geographical areas, and gender. Employment rates tend to be higher among Métis than Inuit and First Nations peoples. The gaps in employment rates between Indigenous and non-Indigenous populations are lower in the Central provinces (Quebec and Ontario) and higher in the Atlantic region (provinces of Newfoundland and Labrador, Nova Scotia, New Brunswick, and Prince Edward Island) (Statistics Canada, 2023<sup>[22]</sup>). In addition, employment rates of Indigenous women are lower than those of Indigenous men. Geography is one factor contributing to labour market gaps between Indigenous and non-Indigenous populations: most Indigenous peoples live in remote locations, which offer fewer employment opportunities, while the majority of non-Indigenous people live in or close to urban centres (OECD, 2019<sup>[21]</sup>).

Figure 4.4. Indigenous peoples participate less in the labour force and are paid less



Note: Indigenous population includes persons who reported having an Indigenous identity, that is, First Nations (North American Indian), Métis or Inuk (Inuit), or those who reported more than one identity. Excluded from the survey's coverage are persons living on reserves and other Indigenous settlements in the provinces, as well as those living in the territories.

Source: Panel A: OECD elaboration based on Statistics Canada (2023<sup>[22]</sup>), <https://doi.org/10.25318/1410036501-eng>; Panel B: Statistics Canada (2023<sup>[23]</sup>), <https://doi.org/10.25318/1410037001-eng>

Indigenous peoples tend to concentrate in certain sectors and occupations. They are more likely to work in wholesale and retail trade, health care and social assistance, construction, manufacturing (food industries), educational services, than non-Indigenous peoples. Conversely, they are under-represented in professional, scientific, and technical services, which typically require post-secondary education and pay better. The share of Indigenous employment in public administration is also high, and the gap with respect



to non-Indigenous peoples has narrowed over time (Statistics Canada, 2023<sup>[24]</sup>). At the occupational level, large shares of Indigenous peoples are in sales and service occupations; trades, transport and equipment operators; education, law and social and community government services; and business, finance and administration occupations. In addition, Indigenous people are less likely to have managerial positions and natural and applied sciences occupations than non-Indigenous peoples, which tend to pay higher salaries (Statistics Canada, 2023<sup>[24]</sup>). The concentration of the Indigenous population in lower-paying sectors and occupations largely explains the wage gap with the Indigenous population (Figure 4.4, Panel B). The average hourly wage of Indigenous and non-Indigenous people has increased in recent years, but the hourly wage gap has remained almost unchanged at around 10%.

Inequalities in the labour market between the Indigenous and non-Indigenous population can be explained by different levels of education, particularly at the tertiary level. Indigenous peoples in Canada have lower education rates than the total population. In the population aged 25-64, the percentage of Indigenous people with tertiary education is 16%, compared to 36% of the total population. Furthermore, the gap with the non-Indigenous population appears to be greater in the northern regions and rural areas, where education offerings are more limited (OECD, 2019<sup>[21]</sup>). Studies also point to a significant literacy, numeracy and technology skills gap to the disadvantage of the Indigenous population, which largely explain the observed wage differentials (Hu, Daley and Casey, 2017<sup>[25]</sup>).

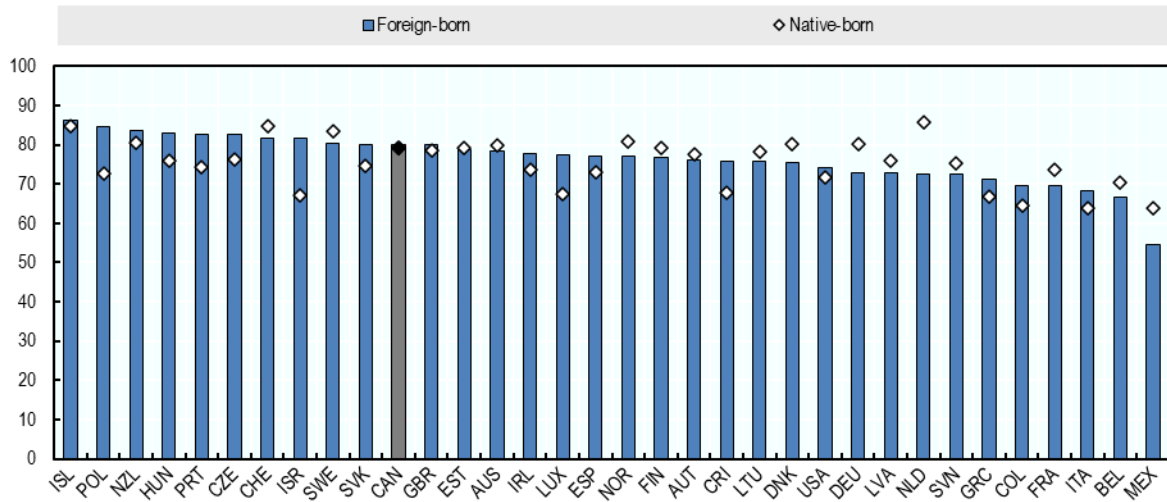
#### ***4.2.3. Immigrants, temporary foreign workers and international students make an important contribution to the Canadian labour market, but some challenges remain***

Canada has historically been an immigration destination. In 2021, more than 8.3 million people, 23% of the total population in Canada, were or had been permanent resident in Canada, the highest proportion of the population since 1921 (Statistics Canada, 2022<sup>[26]</sup>) (Box 4.1). The share of recent immigrants (people who obtained permanent resident status in the past 5 years) has also increased significantly in recent years: over 1.3 million new immigrants settled permanently in Canada from 2016 to 2021, the highest number of recent immigrants recorded in a Canadian census (Statistics Canada, 2021<sup>[27]</sup>). The share of non-permanent residents (people coming to Canada temporarily on work or study permits or as asylum seekers) amounted to 2.5% in 2021.

In international comparison, immigrants in Canada are well integrated economically. Labour market outcomes of foreign-born are good, partly as a result of the large share of highly educated immigrants. The labour participation rate for the population aged 15-64 is slightly higher for the foreign-born than for native-born (80% for the foreign-born compared to 79% for natives) (Figure 4.5). Labour force participation rates of foreign-born also tend to exceed those of native-born in OECD countries with large recent inflows of labour migrants, especially in Southern, Central and Eastern European countries (Poland, Hungary, Portugal, Czechia) and other so-called settlement countries such as New Zealand and the United States. The opposite is observed for longer-standing European destinations and Nordic countries (Sweden, Norway, Finland, France, Belgium), mainly due to high levels of inactivity among foreign-born women. Employment rates of foreign-born are very similar to those of native-born, close to 73% (OECD, 2021<sup>[28]</sup>). Immigrants in Canada also show a high level of social inclusion. They report very high levels of life satisfaction and the best health status in the entire OECD (OECD, 2019<sup>[29]</sup>; OECD/EU, 2018<sup>[30]</sup>).

**Figure 4.5. In Canada, the labour force participation of the foreign-born is comparable to that of the native-born**

Labour force participation (%) by place of birth, 15-64 year-olds, 2021

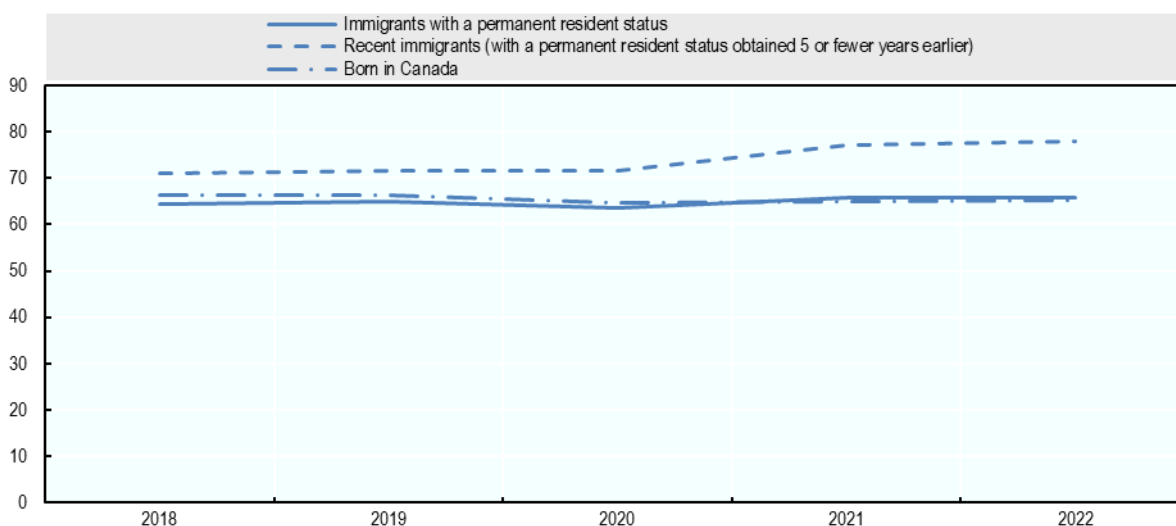


Source: OECD (2021<sup>[28]</sup>), <https://stats.oecd.org/https://stats.oecd.org/>

Immigrants, particularly recent immigrants whose age structure is younger than the general population, make an important contribution to Canada's labour market. The labour force participation rate for the population over the age of 15 is higher for recent immigrants than for Canadian-born and all immigrants, and this difference has increased in recent years. However, labour force participation for the population aged 25-54 remains higher for Canadian-born than for immigrants and especially for recent immigrants (in 2022, 90% for Canadian-born, 87% for all immigrants and 85% for recent immigrants) (Figure 4.6). According to Statistics Canada, from 2016 to 2021, immigrants accounted for four-fifths of labour force growth (Statistics Canada, 2022<sup>[31]</sup>). This is also consistent with the majority of recent immigrants, about 56%, being admitted under the economic category, that is based on their potential economic contribution.

**Figure 4.6. The labour force participation rate is higher for recent immigrants than for Canadian-born**

Labour force participation rate (%), over 15 years old



Note: See Box 4.1 for terminology and definitions.

Source: OECD elaboration based on Statistics Canada (2023<sup>[32]</sup>), <https://doi.org/10.25318/1410008301-eng>

Recent immigrants fill labour shortages in many sectors. Since 2010, the share of new immigrants grew fast in accommodation and food services sector, in the professional services sector, and in the manufacturing and transport sectors (Statistics Canada, 2022<sup>[33]</sup>). Nevertheless, recent immigrants face challenges in relation to their skill utilisation. From 2001 to 2016, the percentage of university-educated recent immigrants aged 25 to 34 years working in jobs requiring a university degree decreased from 46% to 38%. In comparison, the percentage of Canadian-born workers with a bachelor's degree in jobs requiring a university degree remained close to 60% (Statistics Canada, 2022<sup>[33]</sup>). The complexity of the process of recognition of the foreign qualifications of immigrants can create challenges in integrating immigrants into the labour market. This process is different in each province and territory, and for each profession. It is particularly challenging for applicants in regulated occupations (Brosseau, 2020<sup>[34]</sup>).

Temporary foreign workers and international students have also been instrumental in filling labour shortages. The number of temporary foreign workers increased sevenfold, from 111,000 in 2000 to 777,000 in 2021. The increase has been particularly significant in low-skilled sectors such as agriculture, accommodation and food services, administrative and support services, waste management and remediation, but also in some high-skilled activities such as professional, scientific, and technical services and the information and cultural industries. The number of international students has also increased significantly and reached 807,750 students in 2022, up from 214,000 a decade earlier, according to Immigration, Refugees and Citizenship Canada. Both temporary foreign workers and international students are moving to permanent residency in increasing numbers. About 25% of temporary foreign workers who arrived in Canada between the late 2000s and early 2010 became permanent residents within five years of obtaining their first work permit. One-third of international students who arrived between the late 2000s and early 2010 became permanent residents within 10 years of arriving in Canada (Statistics Canada, 2022<sup>[33]</sup>).

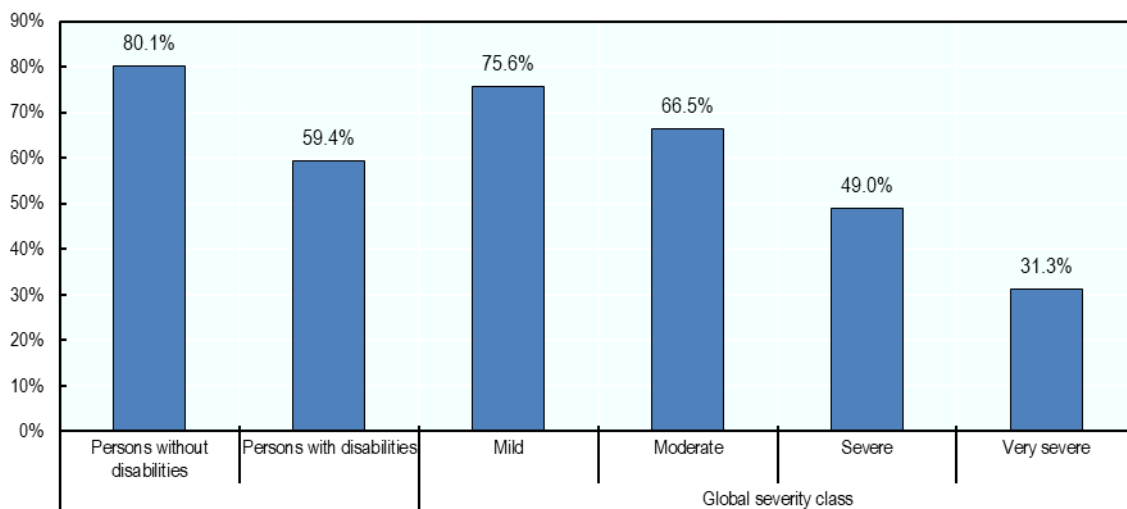
#### 4.2.4. People with disabilities have fewer job opportunities

According to Statistics Canada's Canadian Survey of Disability (CSD) (2017<sup>[35]</sup>), 22% of the Canadian population aged 15 years and over have one or more disabilities (Morris et al., 2018<sup>[36]</sup>). Disability is more likely in older people and women. Moreover, the types of disability (e.g., pain-related, mobility, mental health) and their severity also vary significantly between age groups and gender. Disability affects the likelihood of finding a job and the type of jobs available. Research has shown that people without disabilities are more likely to be employed than those with disabilities (Turcotte, 2015<sup>[37]</sup>; Matthew et al., 2015<sup>[38]</sup>). According to the CSD (2017<sup>[35]</sup>), among those aged 25-64, three out of five (59%) people with disabilities are employed compared to four out of five (80%) of those without disabilities. In addition, the employment rate was lower among people with more severe types of disability (Figure 4.7). Regardless of the level of disability severity, the employment rates of people with disabilities were higher for those with post-secondary education than for those with a high school diploma or less. Canada's employment rate of persons with disabilities is higher than the OECD 2019 average of 42% (OECD, 2022<sup>[39]</sup>).

The types of jobs available to people with disabilities vary compared to people without disabilities. Part-time work is more common among people with disabilities: 23% among people with mild disabilities, 29% among people with more severe disabilities, compared to 18.8% among people without disabilities. In addition, most people with disabilities work in less remunerative services sectors (health care and social assistance, public administration and retail trade) and are under-represented in manufacturing, agriculture, mining and construction. The over-representation of people with disabilities in part-time jobs or in certain sectors can be explained to some extent by some constraints they may have (e.g. some people with disabilities may not be able to work full-time). Research suggests, however, that people with disabilities face systematic barriers to employment. These include stigma and stereotypes, lack of training on how to employ and manage people with disabilities, lack of employees with disabilities as role models or mentors, and other logistical difficulties related, for example, to the lack of affordable housing near jobs (Canadian Human Rights Commission, 2017<sup>[40]</sup>; Canadian Heritage, 2020<sup>[41]</sup>). Moreover, Statistics Canada estimates that among people with disabilities aged 25-64 who were not employed and not attending school, two out of five (39%) showed significant potential to work. Many of these were young people and women (Morris et al., 2018<sup>[36]</sup>).

**Figure 4.7. The employment rate of persons with disabilities decreases with the severity of the disability**

Employment of Canadian population aged 25 to 64 years, by disability status and severity (%), 2016



Source: OECD elaboration based on Statistics Canada (2021<sup>[42]</sup>), <https://doi.org/10.25318/4110004901-eng>

### 4.3. The role of FDI for diversity and inclusion

#### 4.3.1. FDI is prevalent and creates more jobs in sectors where vulnerable people are less represented

FDI can contribute to the integration of vulnerable workers into the local labour market by supporting the development of sectors and activities in which these categories of workers are employed. As discussed in the first part of this chapter, women, Indigenous peoples, foreign workers (i.e. foreign nationals with permanent resident status or study/work-visa status), particularly immigrants, and persons with disabilities tend to be over-represented in low value-added service sectors, such as health and social care, educational services, wholesale and retail trade, and public administration (Table 4.1). Conversely, they are under-represented in higher value-added service activities (professional and business services), manufacturing, construction, and the primary sector (agriculture, mining and oil and gas extraction, and utilities).

Sectors where those vulnerable groups are concentrated tend to attract lower shares of foreign investment. According to Statistics Canada, FDI stocks in Canada is largely concentrated in the primary sector, particularly mining and oil and gas extraction, business and other support services (i.e. management of companies and enterprises)<sup>1</sup>, manufacturing, finance, and wholesale and retail trade. Less than one-third of women and slightly more than one-third of Indigenous peoples, immigrants, and persons with disabilities work in those sectors. New establishments of foreign companies (i.e., greenfield FDI) are also mainly concentrated in the primary sector (mining and oil and gas extraction and utilities), manufacturing, and business and other support activities. In addition, more than two-thirds of the jobs created by these new foreign establishments are in manufacturing and business and other support services. This suggests that greater participation of women, Indigenous peoples, immigrants and persons with disabilities in sectors receiving more FDI could enable them to take even more advantage of the job opportunities created by foreign firms. However, FDI impact can vary across vulnerable groups and by sector. For example, mining is likely to remain a male-dominated sector, and jobs in sectors like mining and construction are not necessarily feasible options for persons with disabilities – depending on the type of disability. On the other hand, FDI in mining may create many jobs for Indigenous peoples given the geographic location of most mines and oil and gas sites (Box 4.3).

**Table 4.1. FDI is prevalent and creates more jobs in sectors where vulnerable people are less represented**

	Employment (% total)				Inward FDI stocks (%)	Greenfield FDI (%)	Jobs created by greenfield FDI (%)
	Women	Indigenous peoples	Immigrants	Persons with disabilities			
Agriculture, natural resources and utilities	2%	6%	3%	4%	11%	34%	5%
Construction	2%	9%	6%	7%	1%	2%	3%
Manufacturing	6%	8%	11%	8%	18%	33%	43%
Wholesale and retail trade	12%	16%	14%	15%	11%	0%	0%
Transportation and warehousing	2%	6%	6%	5%	2%	3%	5%
Finance and real estate	9%	4%	8%	4%	16%	3%	6%

Professional, scientific and technical services	9%	4%	9%	7%	4%	0%	0%
Business and other support services	3%	4%	5%	7%	31%	17%	33%
Educational services	13%	6%	6%	8%	0%	0%	0%
Health care and social assistance	25%	15%	12%	13%	0%	0%	0%
Information, culture and recreation	3%	3%	2%	2%	2%	9%	5%
Accommodation and food services	4%	6%	8%	5%	0%	0%	0%
Public administration	7%	7%	4%	8%	0%	0%	1%
Other services	4%	4%	6%	7%	0%	0%	0%

Note: Data on employment refer to 2022 for women and Indigenous peoples, 2015 for immigrants, 2016 for persons with disabilities. Data on Inward FDI stocks refer to 2021. Greenfield FDI is the sum of greenfield FDI between 2003 and 2022. Jobs created by greenfield FDI is the sum of all jobs created by greenfield FDI between 2003 and 2022.

Source: OECD elaboration based on Statistics Canada Labour Force Characteristics (2023<sup>[8]</sup>), <https://doi.org/10.25318/1410002301-eng>; Employment by Indigenous group and industry (2023<sup>[24]</sup>), <https://doi.org/10.25318/1410036601-eng>; 2016 Census of Population (2016<sup>[43]</sup>), <https://www12.statcan.gc.ca/census-recensement/2016/index-eng.cfm>; Immigration (2022<sup>[26]</sup>), <https://www150.statcan.gc.ca/n1/pub/12-581-x/2022001/sec2-eng.htm>; Canadian Survey on Disability (2017<sup>[35]</sup>), <https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2019035-eng.htm>; International investment position (2022<sup>[44]</sup>), <https://doi.org/10.25318/3610000901-eng>; Financial Times (2023<sup>[45]</sup>), <https://www.fdimarkets.com/>.

### 4.3.2. Foreign and domestic firms surveyed have similar shares of vulnerable employees

The activities and practices of locally established affiliates of MNEs (henceforth foreign companies) can support the integration of vulnerable groups into the workforce and contribute to a more diverse labour market. A business consultation conducted by the OECD in the third quarter of 2022 sheds light on the workforce characteristics and diversity and inclusion practices of 24 Canadian and 33 foreign companies in Canada (Chapter 1, Annex 1.A). Canadian companies that participated in the consultation have on average slightly higher proportions of women, Indigenous peoples, and persons with disabilities than their foreign peers (Figure 4.8, Panel A). On the other hand, the foreign companies have on average higher shares of foreign workers (i.e., foreign nationals with permanent resident status or study/work-visa status). In total, however, the Canadian and foreign companies surveyed have a similar share of employees from vulnerable groups. The results also show that, regardless of ownership, the companies consulted from the service sector have on average a higher proportion of women, while the companies in the natural resources sector have higher proportions of Indigenous peoples.

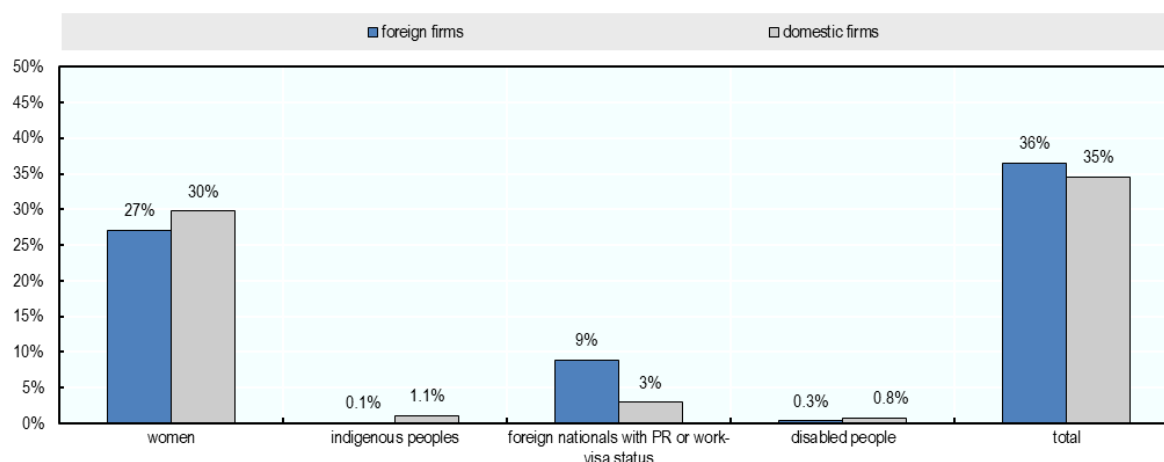
Although the results are not generalisable to all domestic and foreign companies in Canada, they seem in line with existing evidence. Recent studies have shown that corporate culture is an important factor in explaining companies' performance and practices with respect to gender inclusion. Companies from countries that are more gender-equal tend to have higher shares of female employees and to adopt more gender-inclusive work practices (Kodama, Javorcik and Abe, 2018<sup>[46]</sup>; Tang and Zhang, 2021<sup>[47]</sup>). While these studies focus on gender equality, corporate culture is likely to play an important role with respect to the inclusion of other vulnerable groups. Given the importance of the socio-economic inclusion of vulnerable groups for Canada and the active commitment of successive governments in this direction, Canadian companies seem to be more aware of the importance of having a more diverse workforce than companies from other countries, which may explain the slightly higher shares of women, Indigenous peoples and persons with disabilities among the Canadian firms surveyed. On the other hand, the presence of higher shares of foreign workers in the foreign companies can be explained by the fact that foreign companies often transfer foreign staff from their home countries especially in the early stages of business, as well as by their more international working environment, which attracts more international workers and students.

The higher representation of women in the services companies surveyed is not surprising, as women are predominantly employed in services (around 90% of women). Similarly, the higher share of Indigenous

peoples in surveyed natural resource companies is in line with the higher representation of these groups in the primary sector, compared to non-Indigenous peoples (6% of Indigenous peoples as opposed to 4% of non-Indigenous peoples). This is explained by the fact that Indigenous peoples live predominantly in non-urban areas and by their close ties to land and natural resources (Box 4.3).

**Figure 4.8. Foreign firms surveyed have slightly lower shares of women, Indigenous peoples and persons with disabilities, but have higher shares of foreign workers**

Average share of employees by vulnerable group and ownership (% total employees)



Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sup>[48]</sup>).

### Box 4.3. Indigenous peoples, land and natural resources

Land and the natural resources that cover it (fisheries, forestry, mining, water) are a key economic asset and the right to land can generate revenue and increase economic opportunities. Land, however, is not only an economic resource for Indigenous peoples, but is linked to traditional knowledge, spiritual beliefs, cultural reproduction and ensures the preservation of their traditional way of life. Access to land and resources has historically been limited and unequal for Indigenous peoples across Canada. Treaties are a key mechanism for Indigenous peoples to secure ownership of land. Benefit-sharing agreements, known in Canada as Impact and Benefit Agreements (IBAs), have been an important tool in minimising the environmental and socio-economic impacts of resource exploitation by corporations on the territories and lands inhabited by Indigenous peoples. Through these agreements, corporations offer Indigenous peoples environmental impact assessments and monitoring, as well as financial compensation, job creation and eventual environmental restoration in exchange for the development of their projects. IBAs often also include incentives for Indigenous communities, such as preferential hiring, priority bidding for local entrepreneurs and businesses, heritage protection and social support programmes. However, such agreements are not mandatory for companies. Moreover, they are confidential and parties entering new negotiations may not be aware of precedent negotiations, which may weaken Indigenous communities' claims. As of 2019, impact assessment introduced by the Impact Assessment Act (which replaced the environmental assessment under the former 2012 Canadian Environmental Assessment Act), provides another key tool for the prevention of adverse environmental effects on Indigenous peoples' territories from projects on federal lands. Budget 2024 launched the

Indigenous Loan Guarantee Programme to unlock access to capital for Indigenous communities and help remove barriers to Indigenous equity investment in natural resources and energy projects.

Source: OECD (2019<sup>[21]</sup>), Linking Indigenous Communities with Regional Development in Canada, <https://doi.org/10.1787/3203c082-en>; Government of Canada (2022<sup>[49]</sup>), Impact Assessment Process Overview, <https://www.canada.ca/en/impact-assessment-agency/services/policy-guidance/impact-assessment-process-overview.html>

### **4.3.3. Foreign firms surveyed have lower shares of managers among women, Indigenous peoples and persons with disabilities**

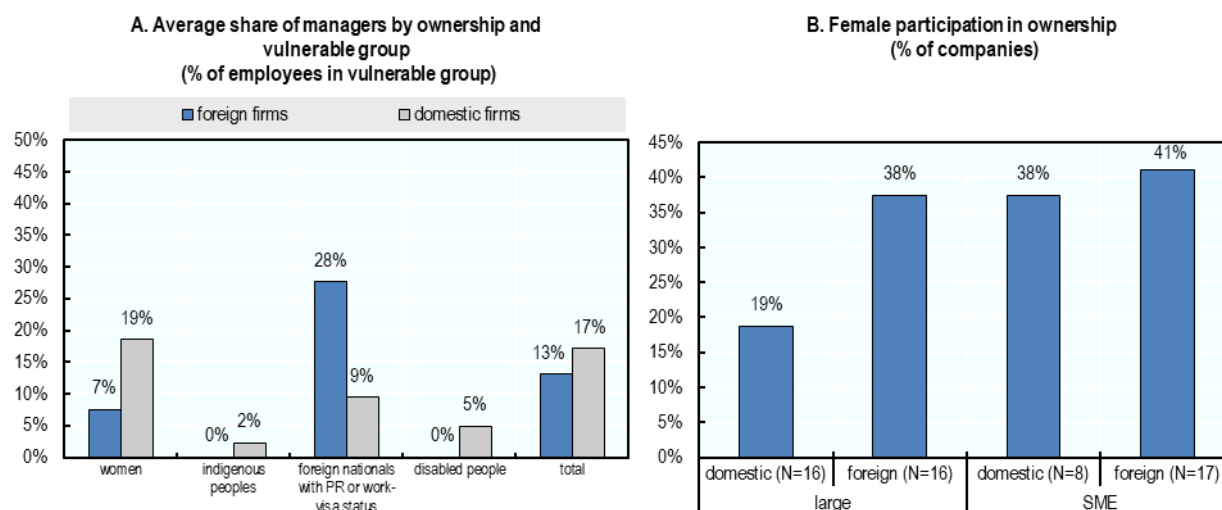
The OECD business consultation finds that the domestic companies have a higher share of managers among women, Indigenous peoples, and persons with disabilities than foreign companies, while the foreign companies surveyed have a higher share of managers among foreign workers (Figure 4.9, Panel A). This seems to be consistent with the fact that these vulnerable groups are more represented in their respective workforces. Moreover, the share of managers among all vulnerable employees is higher in domestic than in foreign companies surveyed (17% in domestic firms compared to 13% in foreign firms). Overall, the results still hold when comparing foreign and domestic companies in the same sector and covered by the survey. Moreover, both domestic and foreign firms in construction and services report higher shares of managers from vulnerable categories, particularly women and foreign workers. The results also show that the share of managers among women and foreign workers is significantly higher in SMEs (i.e., companies with less than 250 employees), regardless of ownership. At the same time, only large (domestic) companies report having Indigenous and persons with disabilities among their managers. The results also show that the share of firms with a woman among the owners is higher in foreign firms and SMEs (Figure 4.9, Panel B).

Recent studies emphasise the importance of corporate culture as a crucial factor for a more diverse workforce, even in middle and senior management positions (Kodama, Javorcik and Abe, 2018<sup>[46]</sup>; Tang and Zhang, 2021<sup>[47]</sup>). Considering these findings, the higher percentages of female managers in the Canadian companies may be attributed to a greater awareness and focus on inclusion and empowerment of women. Some similarities are also found between the results of the OECD business consultation and those of another recent survey conducted by McKinsey & Company (2019<sup>[50]</sup>) of 100 Canadian companies and organisations (which, however, does not distinguish between domestic and foreign companies). The McKinsey & Company survey finds that SMEs in Canada have a higher representation of women in middle and senior management positions than large organisations, which is also reflected in the OECD business consultation. According to McKinsey & Company report, the less hierarchical structure of SMEs poses fewer obstacles to the advancement of women. The report also concludes that neither staff turnover nor the desire for promotion lead to the under-representation of women in management roles. In fact, the results show that women and men leave their organisations and declare their desire for promotion at similar rates.

There is limited evidence on the impact of foreign ownership on female entrepreneurship. OECD research has shown that differences with respect to women's participation in ownership between FDI-engaged (foreign) and non-FDI-engaged (domestic) enterprises tend to be statistically insignificant (OECD, 2019<sup>[17]</sup>; 2022<sup>[18]</sup>). In contrast, firm size appears to be an important factor in explaining women's representation in ownership. Some evidence shows that women-owned firms tend to be smaller in size than their male counterparts (OECD, 2017<sup>[12]</sup>). This is consistent with the findings of the OECD's business consultation that a larger share of women-owned firms are found among SMEs, although most of the surveyed SMEs were foreign and, in turn, may not be representative of female participation in ownership in SMEs.



**Figure 4.9. Foreign firms have higher shares of managers among foreign workers, but lower shares among women, Indigenous peoples, and people with disabilities**



Note: SMEs are companies with less than 250 employees.

Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sub>[48]</sub>).

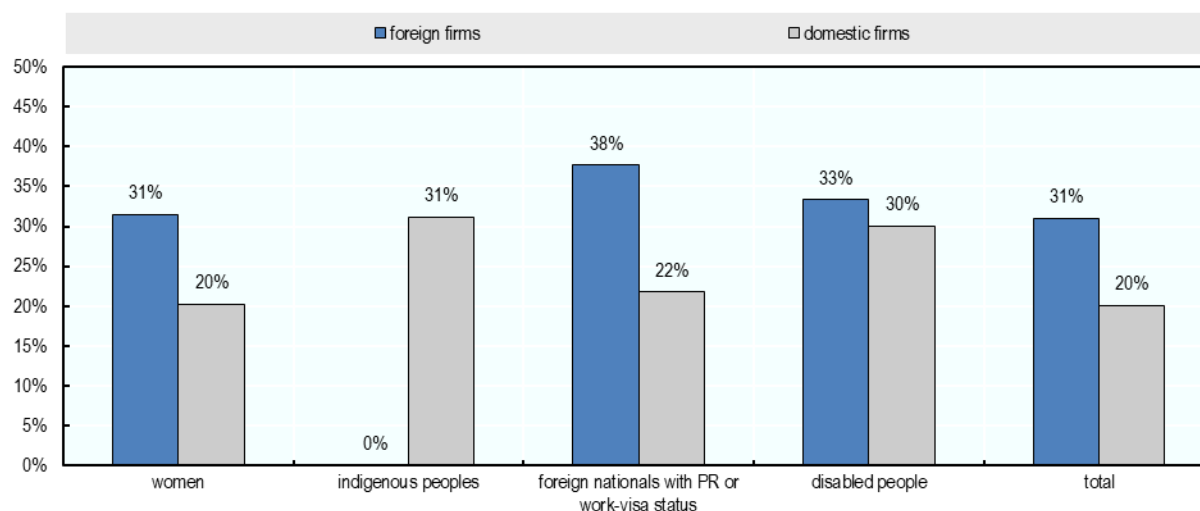
#### **4.3.4. Formal training is more likely to be offered by foreign companies surveyed, including to employees from vulnerable groups**

Training is key to increasing performance, improving corporate culture and reducing turnover. It is also an effective tool to promote the integration of vulnerable employees and support their professional development in the company. About 83% of domestic and 90% of foreign companies that participated in the OECD business consultation offer formal training to their employees. Formal training can take different forms, ranging from induction training, i.e. introducing new employees to their new job role, technical skills training (e.g., on how to use a machine or software), management and leadership skills training and so on (diversity training and skills development programmes aimed at specifically vulnerable groups are discussed in the next session). The results also show that the foreign companies have a higher percentage of employees who have received training for all categories of vulnerable workers except for Indigenous peoples, which is not surprising considering that the percentage of Indigenous peoples in their workforce is very low (Figure 4.10). The results are still valid when comparing foreign and domestic companies in the same sector, with a few exceptions (domestic firms have higher shares of women who received training than foreign firms in mining, and higher shares of employees with disabilities who received training in construction and services). Overall, 31% of vulnerable workers receive some form of training in foreign companies, compared to 20% in domestic companies.

Evidence, observed in many countries, indicates that foreign firms are more likely to provide training to their employees than domestic firms. This result is often explained in light of the fact that firms that engage in FDI (and exports) tend to be larger, more technologically advanced and employ a higher share of skilled workers on average than domestic firms (OECD, 2019<sub>[17]</sub>; 2022<sub>[18]</sub>). However, although a higher share of vulnerable workers receive training in foreign firms, this does not seem to lead to better professional development prospects for these groups, as evidenced by the lower shares of managers among these vulnerable groups in the foreign firms surveyed. This suggests that professional development and career opportunities for these vulnerable employees are not directly related to their skills and motivation, a finding highlighted in particular for women (2019<sub>[50]</sub>).

**Figure 4.10. Foreign firms surveyed have higher shares of vulnerable employees who have received training**

Average share of employees who received training by ownership and vulnerable group (% of employees in vulnerable group)



Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sup>[48]</sup>)

#### Box 4.4. Skills development and career support programmes for vulnerable groups: examples of practices from foreign MNEs

##### Scholarships for Indigenous engineering students and women

A foreign aerospace and defence services company offers scholarships to support Indigenous peoples and women. As part of an Indigenous workforce development programme, in collaboration with the Canadian Council for Aboriginal Business (CCAB) of which it is a member, the company offers one scholarship per year to Indigenous engineering students at the University of Victoria and a one-semester internship, with the possibility of being hired by the company at the end of the internship. The company also has a mentorship programme for women, the aim of which is to support the entry of women into senior roles, where women currently account for just under a quarter of positions.

##### Efforts to support emerging female and Indigenous talent

One foreign ICT and telecommunications multinational partners with various schools throughout Canada with the intent to target and develop relationships with groups such as females and Indigenous students in STEM, scheduling workshops with them and conducting tours of the company sites, to attract them as potential employees. The company has supported Carleton University's Women in Engineering & IT group through speaking opportunities and visibility within the campus community to highlight career opportunities for women. The company has also sponsored one of largest all-female hackathons, at Western University, and challenged participants to build a platform for mentors and mentees to connect to encourage more women to step into the STEM field. The company has also established a women's employee resource group that allows its female staff to network and benefit from mentorship events, such as those around career advancement and the future of women in leadership.

### **Training and support for underrepresented groups from the high school level**

One foreign manufacturer and distributor of nitrogen and hydrogen products for agricultural, industrial and clean energy use, offers annual scholarships to students from underrepresented groups, particularly women and Indigenous students, in communities near its plants in Medicine Hat, Alberta and Courtright, Ontario, enabling them to pursue degrees in STEM subjects at local universities. The company has also supported high school events such as 'STEM for a Day', which introduces students to STEM career options, and organisations such as Careers: The Next Generation, which connects high school students with paid internships. Through engagements with high school students, the company supports exposure to STEM careers for a more diverse audience before the university level, where STEM programmes are more likely to be dominated by male students.

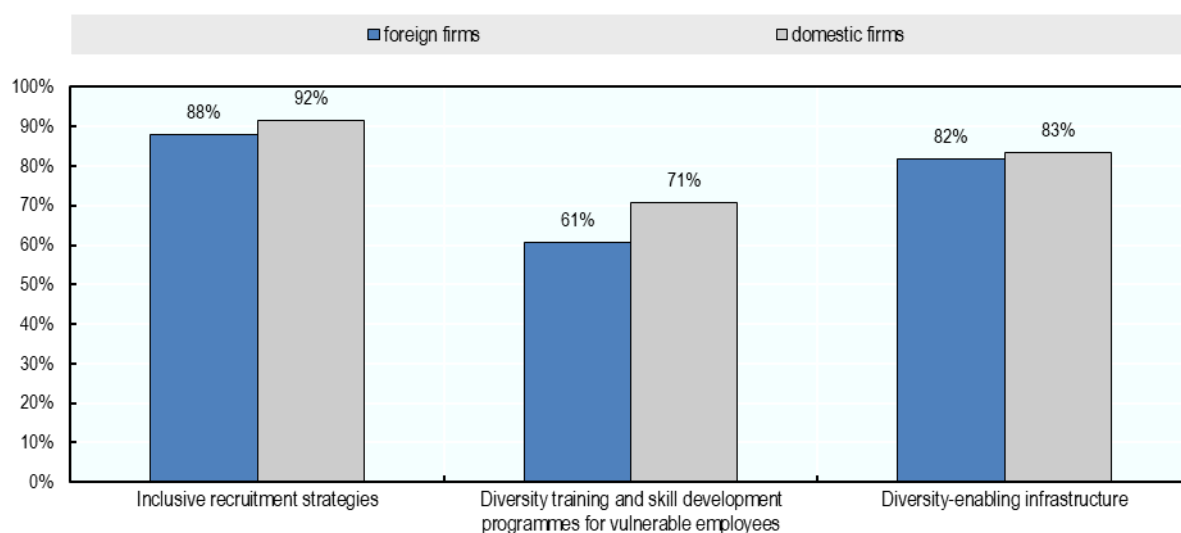
Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sup>[48]</sup>), HerVolution (2023<sup>[51]</sup>), STEMing UP, <https://www.hervolution.org/steming-up-program/>;

#### **4.3.5. A larger share of Canadian firms surveyed use inclusive workplace practices**

Companies can actively promote diversity in their workforce through a range of inclusive workplace practices. These include inclusive recruitment strategies, ranging from drafting inclusive job descriptions, to setting targets/quotas for vulnerable employees, to recruitment programmes that focus on underrepresented groups, to scholarships and internships for vulnerable groups that lead to potential hires. (Box 4.4). Another form of inclusive practices is diversity training aimed at eliminating stereotypes and raising staff awareness of the importance of diversity in the workforce, and skills training programmes for employees from vulnerable groups with the aim of encouraging their professional development (Box 4.5). Finally, the provision of diversity-friendly infrastructures is also important to remove barriers and create a level playing field for all employees. These include, for example, flexible working hours, extended leave policies for parents, return-to-work programmes after maternity leave, pay equity and pay transparency initiatives; and so on.

According to the results of the OECD business consultation, a higher percentage of Canadian companies report using inclusive workplace practices in all three categories considered (Figure 4.11). This is consistent with the fact that domestic companies have a higher proportion of employees and managers from these vulnerable groups than foreign companies. Overall, the results hold also when comparing Canadian and foreign companies in the same sector. They also show that, regardless of ownership and sector, large companies are more likely to adopt inclusive workplace practices than SMEs. These results seem to provide further confirmation that the inclusion of vulnerable people is an important value in the corporate culture of Canadian companies. It is also not surprising that large companies are more proactive in implementing inclusive corporate policies, given their greater resources and the stronger institutional pressures they may be exposed to.

**Figure 4.11. A larger share of domestic firms surveyed use inclusive workplace practices in all three categories**



Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sub>(48)</sub>).

#### Box 4.5. Hiring practices to enhance diversity in the workforce: examples of practices from foreign MNEs

##### Inclusive rehiring schemes

One foreign car manufacturer recently implemented a plan to reopen in 2021 after a two-year closure, giving priority to hiring women. Working with the labour union, Unifor, the company ensured that half of its 1200 new hires were women, by targeting job ads to women, lifting manufacturing experience requirements, and focusing on other acquired workplace skills, while ensuring that half of candidate evaluators were women.

##### Neurodiversity Centres of Excellence

One MNE has launched Neurodiversity Centres of Excellence in 19 cities in eight countries, including Canada, that help companies and organisations recruit, onboard and develop neurodiverse talent. These centres design inclusive recruitment processes and work environments for neurodiverse candidates and employees through upskilling and process redesign. These Centres of Excellence have recorded a 92% retention rate for neurodiverse employees hired through the programme worldwide. In addition, the MNE hosts a larger neurodiversity community of over 1,200 employees globally who self-identify as neurodiverse across all grades and service lines. The MNE has already supported several large organisations in creating neurodiverse talent, including in Canada.

Source: OECD Business Consultation on Sustainability Practices in Canada (2022<sub>(48)</sub>),

## References

- Brosseau, L. (2020), *Recognition of the Foreign Qualifications of Immigrants*, Library of Parliament Background Papers, <https://lop.parl.ca/staticfiles/PublicWebsite/Home/ResearchPublications/BackgroundPapers/PDF/2020-86-e.pdf>. [34]
- Canadian Heritage (2020), *Systemic barriers to the full socio-economic participation of persons with disabilities and the benefits realized when such persons are included in the workplace*, <https://www.canada.ca/content/dam/pch/documents/corporate/transparency/open-government/literature-review/Lit-Review-Systemic-Barriers-eng.pdf>. [41]
- Canadian Human Rights Commission (2017), *Roadblocks on the career path: Challenges faced by persons with disabilities in employment*, [https://www.chrc-ccdp.gc.ca/sites/default/files/publication-pdfs/ottawaiti7-2565385-v7-report\\_on\\_employment\\_and\\_persons\\_with\\_disabilitie\\_final-s.pdf](https://www.chrc-ccdp.gc.ca/sites/default/files/publication-pdfs/ottawaiti7-2565385-v7-report_on_employment_and_persons_with_disabilitie_final-s.pdf). [40]
- Chan, P., T. Handler and M. Frenette (2021), *Gender differences in STEM enrolment and graduation: What are the roles of academic performance and preparation?*, <https://doi.org/10.25318/36280001202101100004-eng>. [14]
- Financial Times (2023), *FDI Markets: the in-depth crossborder investment monitor from the Financial Times*, <https://www.fdimarkets.com/>. [45]
- Government of Canada (2022), *Impact Assessment Process Overview*, <https://www.canada.ca/en/impact-assessment-agency/services/policy-guidance/impact-assessment-process-overview.html>. [49]
- Government of Canada (2021), *Government of Canada announces that the Pay Equity Act will come into force on August 31, 2021*, <https://www.canada.ca/en/employment-social-development/news/2021/07/government-of-canada-announces-that-the-pay-equity-act-will-come-into-force-on-august-31-2021.html>. [10]
- HerVolution (2023), *STEMing UP*, <https://www.hervolution.org/steming-up-program/>. [51]
- Hu, M., A. Daley and W. Casey (2017), “Literacy, Numeracy, Technology Skill and Labour Market Outcomes among Indigenous Peoples in Canada”, <https://doi.org/10.3138/cpp.2017-068>. [25]
- Kodama, N., B. Javorcik and Y. Abe (2018), “Transplanting corporate culture across international borders: Foreign direct investment and female employment in Japan”, *The World Economy*, Vol. 41/1, pp. 1148–1165, <https://ideas.repec.org/a/bla/world/v41y2018i5p1148-1165.html>. [46]
- Matthew, T. et al. (2015), *A Profile of the Labour Market Experiences of Adults with Disabilities among Canadians Aged 15 Years and Older*, Canadian Survey on Disability Reports. Statistics Canada Catalogue, <https://publications.gc.ca/site/eng/9.802571/publication.html>. [38]
- McKinsey & Company (2019), *The present and future of women at work in Canada*, <https://www.mckinsey.com/featured-insights/gender-equality/the-present-and-future-of-women-at-work-in-canada>. [50]

- Morris, S. et al. (2018), *A demographic, employment and income profile of Canadians with disabilities aged 15 years and over, 2017*, <https://www150.statcan.gc.ca/n1/pub/89-654-x/89-654-x2018002-eng.htm>. [36]
- OECD (2023), *Gender Portal*, <https://www.oecd.org/gender/data/>. [3]
- OECD (2023), *Public Investment in Bulgaria: Planning and Delivering Infrastructure*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/b73ef3b4-en>. [11]
- OECD (2022), *Business Consultation on Sustainability Practices in Canada*. [48]
- OECD (2022), *Disability, Work and Inclusion: Mainstreaming in All Policies and Practices*, OECD Publishing, Paris, <https://doi.org/10.1787/1eaa5e9c-en>. [39]
- OECD (2022), *FDI Qualities Policy Toolkit*, OECD Publishing, Paris, <https://doi.org/10.1787/7ba74100-en>. [19]
- OECD (2022), “Making the most of public investment to address regional inequalities, megatrends and future shocks”, *OECD Regional Development Papers*, OECD Publishing, Paris, <https://doi.org/10.1787/8a1fb523-en>. [18]
- OECD (2022), *Recommendation of the Council on Foreign Direct Investment Qualities for Sustainable Development*, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0476>. [20]
- OECD (2021), *Employment, unemployment, and participation rates by place of birth and sex*, <https://stats.oecd.org/>. [28]
- OECD (2019), *FDI Qualities Indicators: Measuring the sustainable development impacts of investment*, <https://www.oecd.org/fr/investissement/fdi-qualities-indicators.htm>. [17]
- OECD (2019), *Linking Indigenous Communities with Regional Development in Canada*, OECD Rural Policy Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/3203c082-en>. [21]
- OECD (2019), *Recruiting Immigrant Workers: Canada 2019, Recruiting Immigrant Workers*, OECD Publishing, Paris, <https://doi.org/10.1787/4abab00d-en>. [29]
- OECD (2018), *PISA Database*, <https://www.oecd.org/pisa/data/2018database/>. [16]
- OECD (2017), *The Pursuit of Gender Equality: An Uphill Battle*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264281318-en>. [12]
- OECD/EU (2018), *Settling In 2018: Indicators of Immigrant Integration*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264307216-en>. [30]
- Statistics Canada (2023), *Table 14-10-0023-01 Labour force characteristics by industry, annual (x 1,000)*, <https://doi.org/10.25318/1410002301-eng>. [8]
- Statistics Canada (2023), *Table 14-10-0083-01 Labour force characteristics by immigrant status, annual*, <https://doi.org/10.25318/1410008301-eng>. [32]
- Statistics Canada (2023), *Table 14-10-0085-01 Labour force characteristics of immigrants by sex and age group, annual*, <https://doi.org/10.25318/1410008501-eng>. [2]

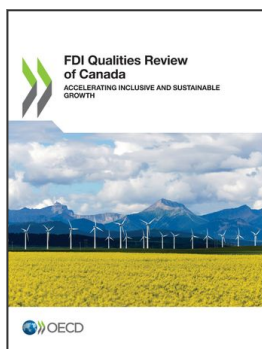
- Statistics Canada (2023), *Table 14-10-0297-01 Labour force characteristics by occupation, annual, 1987 to 2018, inactive (x 1,000)*, <https://doi.org/10.25318/1410029701-eng>. [9]
- Statistics Canada (2023), *Table 14-10-0365-01 Labour force characteristics by region and detailed Indigenous group*, <https://doi.org/10.25318/1410036501-eng>. [22]
- Statistics Canada (2023), *Table 14-10-0366-01 Employment by Indigenous group and industry (x 1,000)*, <https://doi.org/10.25318/1410036601-eng>. [24]
- Statistics Canada (2023), *Table 14-10-0370-01 Average hourly and weekly wages and average usual weekly hours by Indigenous group, inactive*, <https://doi.org/10.25318/1410037001-eng>. [23]
- Statistics Canada (2022), *Immigrants make up the largest share of the population in over 150 years and continue to shape who we are as Canadians*, <https://www150.statcan.gc.ca/n1/daily-quotidien/221026/dq221026a-eng.htm>. [31]
- Statistics Canada (2022), *Immigration*, <https://www150.statcan.gc.ca/n1/pub/12-581-x/2022001/sec2-eng.htm>. [26]
- Statistics Canada (2022), *Immigration as a source of labour supply*, <https://www150.statcan.gc.ca/n1/daily-quotidien/220622/dq220622c-eng.htm>. [33]
- Statistics Canada (2022), *Indigenous peoples and communities*, <https://www.rcaanc-cirnac.gc.ca/eng/1100100013785/1529102490303>. [5]
- Statistics Canada (2022), *Measuring disability in Canada*, <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2022062-eng.htm>. [7]
- Statistics Canada (2022), *Table 33-10-0501-01 Representation of women and men on boards of directors and in officer positions, by firm attributes*, <https://doi.org/10.25318/3310050101-eng>. [13]
- Statistics Canada (2022), *Table 36-10-0009-01 International investment position, Canadian direct investment abroad and foreign direct investment in Canada, by North American Industry Classification System (NAICS) and region, annual (x 1,000,000)*, <https://doi.org/10.25318/3610000901-eng>. [44]
- Statistics Canada (2022), *Table 98-10-0451-01 Labour force status by highest level of education, Indigenous identity, age and gender: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts*, <https://doi.org/10.25318/9810045101-eng>. [1]
- Statistics Canada (2021), *Focus on Geography Series, 2021 Census of Population*, <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/fogs-spg/page.cfm?topic=9&lang=E&dguid=2021A000011124>. [27]
- Statistics Canada (2021), *Gender of person*, <https://www23.statcan.gc.ca/imdb/p3Var.pl?Function=DEC&Id=410445>. [4]
- Statistics Canada (2021), *Table 41-10-0049-01 Disability status, disability severity class and labour force status by Aboriginal identity, age group and sex*, <https://doi.org/10.25318/4110004901-eng>. [42]
- Statistics Canada (2017), *2016 Census of Population: Immigration and ethnocultural diversity*, <https://www12.statcan.gc.ca/census-recensement/2016/ref/98-501/98-501-x2016008-eng.cfm>. [6]

- Statistics Canada (2017), *Canadian Survey on Disability (CSD)*, [35]  
<https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2019035-eng.htm>.
- Statistics Canada (2016), *2016 Census of Population*, [43]  
<https://www12.statcan.gc.ca/census-recensement/2016/index-eng.cfm>.
- Statistics Canada. (2017), *Is field of study a factor in the earnings of young bachelor's degree holders?*, [15]  
<https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016023/98-200-x2016023-eng.cfm>.
- Tang, H. and Y. Zhang (2021), "Do Multinationals Transfer Culture? Evidence on Female Employment in China", *Journal of International Economics*, Vol. 133, [47]  
<https://www.sciencedirect.com/science/article/pii/S0022199621000982>.
- Turcotte, M. (2015), *Persons with Disabilities and Employment*, Insights on Canadian Society. [37]  
 Statistics Canada Catalogue no. 75-006-X., <https://www150.statcan.gc.ca/n1/en/pub/75-006-x/2014001/article/14115-eng.pdf?st=ehUFDqwn>.

## Notes

<sup>1</sup> 'Business and other support services' comprises establishments coded to 'Management of companies and enterprises' and to 'Administrative and support, waste management and remediation services'. Inward FDI stock refers to 'Management of companies and enterprises'. Most FDI in this category is redistributed to other companies within the corporate group, which are associated with other sectors, such as mining, oil and gas extraction and manufacturing.





**From:**  
**FDI Qualities Review of Canada**  
Accelerating Inclusive and Sustainable Growth

**Access the complete publication at:**  
<https://doi.org/10.1787/273d99ec-en>

**Please cite this chapter as:**

OECD (2024), "The contribution of FDI to diversity and inclusion in the labour market", in *FDI Qualities Review of Canada: Accelerating Inclusive and Sustainable Growth*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/f3cb39f2-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.