

Notes for a presentation by Zoë Yujnovich President and CEO, IOC

Status of Women Canada Forum: Building Canada's

Innovation Economy: Best Practices for Supporting Women

in Non-Traditional Sectors.

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Opening / Introduction

Ladies and gentlemen, on behalf of Rio Tinto, the Iron Ore Company of Canada and the Mining Association of Canada, I would like to thank Status of Women Canada and its partners, the Labour Program and provincial and territorial departments, for inviting me to participate in this national forum to discuss *Best Practices for Supporting Women in Non-Traditional Sectors*. It's an honour to be here with such a distinguished audience to discuss the issue of attraction, retention and advancement of women in the mining industry. This is a topic that is very close to my heart – in fact, I am extremely passionate about this – due in no small part to my own personally rewarding experiences, but more broadly due to the challenges which currently face the mining industry and the role which, I believe, women can play in shaping the mining industry.

<u>Industry</u>

You may not be surprised to hear me say that the mining sector has experienced unprecedented growth in recent times, driven by the strength of development and urbanisation in emerging economies, and the improvement of living standards for billions of people.

However, we have seen a recent shift in our industry as increased volatility and depressed commodity prices undermine market confidence. Fortunately, the long term view remains positive. And therefore, our industry needs to strategically move forward to build a sustainable foundation to ensure its continued success. Through proper planning, while remaining environmentally and community focused, and through government collaboration, we can stabilize the industry to capitalize on future opportunities for the benefit of all Canadians and our industry at large.

Mining is one of Canada's most important economic sectors and a major job creator. According to Natural Resources Canada, the industry contributed to Canada's nominal gross domestic product to the tune of \$52.6 billion in 2012 and employs some 418,000 people across the country in well-paid, highly-skilled jobs.

Canada's provinces and territories benefit significantly from mining operations. The industry has spurred job creation and economic growth in more than 115 rural and northern communities from coast to coast to coast.

However, the sector is under increasing pressure to ensure that it remains as competitive as possible. A strong, sustainable mining industry requires a strong, sustainable workforce. In 2013, the Mining Industry Human Resource Sector Council (MiHR) estimated that 145,000 new workers will be needed over the next decade to replace retirees and fill new positions. Mining has a lot to offer those looking for a rewarding career across a huge spectrum of jobs to meet baseline production targets. The mining industry comprises 66 core mining occupations and will need new workers for all of them – geoscientists, metallurgists, mining engineers, geologists, as well as workers skilled in computer science, information management, environment management, mechanical repairs and heavy equipment operations to name a few interesting career opportunities.

I believe that the mining industry has much to offer to skilled and talented women who – like me – are fascinated by what lies beneath the earth, how our industry contributes to improving our quality of life and how to extract these commodities in a responsible way.

Why does having more women in the mining industry matter? Because we – as an industry – need them. It is not about a female/male duality. It's about attracting and retaining more women as well as people from our aboriginal communities and new Canadians. Greater diversity is our competitive advantage and is key to maintaining our position as a global mining leader.

The mining industry needs to continue to shed tired misconceptions about working in this industry and create a more diverse and inclusive workforce through nurturing partnerships with underrepresented groups. It must promote careers in the mining sector and spread the word that we offer good jobs. It must ensure that it taps into the broader population of Canada across all demographics and diversities, including women.

Fortunately, recent years have seen positive inroads in this area. The Mining Industry Human Resources Council's 2013 Labour Force Survey found that female participation in mining grew by 60 per cent from 1996 to 2012. Women now account for 16 per cent of the workforce. However mining continues to lag other resource sectors in this respect, with women

representing 30 per cent and 24 per cent of the total workforce in the oil and gas and the utilities sectors respectively while the general female labour force participation rate is 48 per cent.

The continuing disparity of women's representation rates across certain occupations within the mining industry is of concern. Less than 5 per cent of trades and production, scientific and management positions are occupied by women, whereas most clerical and support roles (95 per cent) and corporate services positions (60 per cent) are held by women.

Focus area

The data would suggest that the under representation of women in mining is to some extent an outcome of the educational pathways that women are selecting.

Here in Canada, women tend to make up more than half of the undergraduate population. A 2013 Statistics Canada report into national post-secondary enrolment trends showed that women accounted for 56.5% of the national enrolment total, compared to 43.5% for men. This is a ratio that has remained relatively constant over the past decade.

In fact, female graduates outnumbered men in every field except: **mathematics**, **computer and information sciences**, architecture, **engineering and related technologies**, transportation services, agriculture, and **natural resources and conservation**.

Despite maintaining the majority in post-secondary education, female graduates within Canada remain under represented in STEM fields – Science, Technology, Engineering and Mathematics.

Recent studies have shown that girls are earning high school math and science credits at the same rate as boys, <u>and earning slightly higher grades in these classes</u>. However women are under-represented in the STEM studies upon entering post-secondary education. Why is this?

The transition from high school to post-secondary education is a critical moment when many young women turn away from STEM studies. We must encourage and support the brave few who choose to follow their passion and potential into these fields.

Many career choices are confirmed during the first years of post-secondary education. We must ensure that these women are presented with positive professional role models within the mining industry and promote the exciting careers on offer within our industry.

In 2010, Women in Mining (WiM) Canada, in partnership with the Mining Industry Human Resources Council released findings from a detailed report on women's participation in the mining industry. The report, called *Ramp-Up: A Study on the Status of Women in Canada's Mining and Exploration Sector*, provides bench-marking statistics to measure improvements on the status of women in mining. It also provides employers with information on the barriers to engagement of female workers, and suggestions on how to increase their participation.

The report reveals discrepancies between what employers perceive as barriers for women in the workforce and those described by female workers, and provides a foundation for developing targeted initiatives. Key recommendations of this report were:

- Training and career development of women within mineral organizations should have a stronger emphasis.
- More flexibility and time is needed for all employees to arrange remote/international assignments.
- Reporting diversity measures in organizations' sustainability/ annual reports should be encouraged.
- To encourage women to pursue careers in the sector, post-secondary alumni groups, women's networks and industry associations should be supported to build awareness of the sector among mature skilled women and Aboriginal women, and to help organize work placement of youth and post-secondary students.
- Promoting a positive image of the sector is essential. Women's professional associations should be encouraged to advocate for the exploration and mining industry through testimonials and to speak to groups to heighten awareness and dispel public misconceptions about the sector.
- Industry's sponsorship of awards programs will enhance profile and celebrate progress. Such events recognize and encourage world class practices, and identify and applaud organizations' milestone achievements, while promoting women's accomplishments from operational and trades levels to senior leadership.

In 2011, Canadian mining companies formed the **Diversity Network** and engaged in strategic goal setting to make diversity – including gender diversity – a priority within their organisations. These companies, Iron Ore Company of Canada, BHP Billiton, Cameco, De Beers, IAMGold, Noront, Teck and Vale, have been working with the **M**ining Industry Human Resources Council through its <u>SHIFT: Take Action for Diversity project</u>, funded in part by the Government of Canada.

I invite you to consult MiHR's 2013 Report on this project. It shares successful practices, disseminates insights and knowledge, and encourages other employers to develop diversity goals and implementation plans. It is noteworthy to say that the companies that made the strongest progress on their diversity goals were those that ensured their diversity initiatives were strategically integrated into important business requirements. With a strong focus on under-utilized talent pools such as women and Aboriginal peoples, these companies achieved results such as:

- A doubling of applications from members of under-represented groups, and a tripling in hiring rates;
- An increase of 30 per cent in applications from women for entry-level roles;
- A demonstration of senior executive commitment to diversity and inclusion.

While mining companies are taking positive steps towards diversity, more work in this area is needed.

Women in Leadership

There is a lot of research that shows how women in leadership positions can enhance organizational performance in measurable, quantifiable ways.

I am proud to tell you that I sit on the Canadian Board Diversity Council. In November 2013, we issued our second Diversity 50 list, bringing the number of corporate board-ready diverse candidates to 100. This year, the Council will add another 50 candidates to the list, creating what we believe is a definitive and broader resource of diverse, board-ready candidates.

Although the number of female CEOs of Fortune 500 companies has doubled in the last decade, there is still a long way to go to achieve real board diversity. In 2013, the percentage of

women on boards of Fortune 500 companies was 15.9% although more than a third of these companies have NO women on their boards.

In the Canadian mining industry, women represent nearly 19% of the labour force but only 12% of senior officers and 7% of corporate board seats. Sadly, this is amongst the lowest across industries.

You would have to admit that is a pretty miserable result for an issue that has been on the priority agenda for the last decade.

Whilst I am generally not a proponent of the quota approach, I am starting to become increasingly impatient at the lack of results our industry is delivering hence the pro-active role I am choosing to take to help accelerate change.

I personally welcome the Ontario Securities Commission proposed new rule that would require TSX registered companies to report annually on their policies to add more women to their boards and executive ranks.

The new rules will also require companies to report on their term limits for directors, which proponents argue will help ensure there is more board turnover so new directors – including women – can be added to the mix.

Companies are also being asked to report on whether they have voluntarily adopted targets for women on their boards or in executive roles.

Although the rules are being adopted only by Ontario's securities regulator, they will have wide application as the TSX is home to 57% of the world's public mining companies with 331 mining companies listed on 2013.

That being said, I can assure you that Canadian mining senior executives are cognizant that further actions are needed if real change is to occur. Earlier this month, MAC's Board of Directors agreed to collaborate with Deloitte and Catalyst Canada to launch a series of Women in Mining Breakfast events for Spring 2014 to elevate the issue of gender diversity in the Canadian mining industry. The idea being of engaging Canadian Mining CEOs to achieve "top down" commitment to change. I look forward to this initiative and will be encouraging my colleagues to get involved.

<u>Close</u>

A favorite quote of mine is from Gandhi "Be the change that you want to see in the world" and "For things to change, first I must change". Change starts with each of us.

As a young engineer I was strong in maths but not particularly endowed with practical skills, so when I arrived for the first time on remote industrial sites I knew I had a lot to learn and turned to the 'men on the floor' for help. These amazing men had little formal education but vast knowledge of every aspect of how to operate and get a plant humming.

I was nominally in charge but the only person who believed that was my Mum. I issued the task instructions, ordered materials, managed costs, created drawings and technical queries and soaked up how to plan work, deliver safely, schedule plant and labour efficiently and, most important of all, how to lead.

The old foreman/supervisor surrounding me were superb man managers, natural leaders who would praise where needed, tease and cajole some, put a rocket up others, be clear on what was needed while understanding who was under pressure from home, who drank too much and who had a dodgy back. Today there are libraries of books on the subject of 'leadership' but I was lucky enough to watch and learn from the masters themselves.

Interestingly, the reception I received from the men in the field was overwhelmingly positive. Sure, some probably didn't think I would make it, but then again, I probably wouldn't have if some of them hadn't taken me under their wing. I'd like to believe we learned a lot from each other – who knows?

I learned an important lesson back then... no flash title wins respect in the field. It must be earned by a mixture of really caring, listening and learning, astute forward planning and the ability to mix dry sarcastic wit with enthusiasm – being able to 'dish it out and take it too!'

Mining is where scientific theory and reality collide – where the rubber hits the road. I feel honored to have grown up in this world and feel sorry for those who have not.