

Will Workplace DEI Survive in Canada?: The Glenn Commandments



The values of [Diversity, Equity, and Inclusion in the workplace](#) embraced by so many companies in recent decades have become the target of a broad attack that threatens their very survival. While the backlash didn't start with Trump, the new U.S. President has made the elimination of DEI a centerpiece of his political agenda, spurring much of corporate America to follow suit. And now the DEI phobia is creeping into Canada. The good news—or bad news, depending on your point of view—is that the threat is less serious in this country than it is because: (A) Canadian laws are different from U.S. laws and (B) DEI is good for business.

The “Law” of DEI

The term “DEI law” is something of a misnomer. Canadian **law** requires simply that employers not discriminate on the basis of race, national origin, religion, and other personal characteristics protected by human rights laws. DEI is basically voluntary, at least in the private sector. It's something that companies do because they think it's morally right and good for business.

“DEI law” in the U.S. is similar to the extent that the federal government and states have civil rights statutes that ban employment discrimination but don't address DEI. As in Canada, U.S. companies implement DEI programs not because they have to but because they want to.

DEI & Reverse Discrimination Risks

DEI's biggest weakness, from a legal perspective, is that it often involves providing not just nondiscriminatory but preferential treatment to minorities and other disadvantaged people. While intended to promote equity and inclusion, such practices, often referred to as “affirmative action,” do exactly what non-discrimination laws say they're not supposed to do, namely, base hiring and other employment decisions on race, religion, etc. **Result:** Employers that promote DEI run the risk of liability for reverse discrimination.

While the potential for reverse discrimination liability and litigation exists in both countries, it's much less of a risk in Canada. That's because the laws are different. Unlike the U.S., Canada has specific laws underpinning DEI in the workplace, including:

- **The Canadian Charter**, which provides broad protections against discrimination based on race, national or ethnic origin, colour, religion, sex, age, and mental or physical disability (the U.S. Constitution doesn't include such protections—the U.S. didn't adopt federal civil rights legislation until 1964, over one-and-a-half centuries after the Constitution took effect).
- **The Employment Equity Act**, which requires federally regulated employers to actively pursue equitable hiring practices for women, Indigenous peoples, persons with disabilities, and visible minorities (several provinces have adopted similar legislation to protect public employees).
- **The Canadian Multiculturalism Act**, which requires “federal institutions” to pursue policies promoting multiculturalism.
- **Human Rights Laws**, which in most jurisdictions specify that it's not illegal discrimination to carry out practices or programs to grant preferences or affirmatively improve employment conditions suffered by disadvantaged persons as long as those disadvantages are based on race, religion, and other personal characteristics that particular human rights law protects.

DEI Is Good for Business

Leaving aside the legal and moral issues, a strong case can be made that DEI is good for business, especially when labour is in short supply and racialized individuals make up nearly 33% of the workforce. By empowering all employees to maximize their personal potential, DEI also improves a company's productivity and profitability. This isn't just theory. There's growing research showing that pursuing DEI helps the bottom line by bolstering a company's ability to:

- Recruit, hire, and retain top talent.
- Maximize productivity.
- Deliver superior service to customers.
- Serve the community.
- Build and maintain the community's reputation.

What Next for DEI in Canada?

The current backlash against DEI taking place south of the border will inevitably impact Canada. In fact, some companies either have or signaled their intention to walk back their DEI programs, according to a *Globe and Mail* report, including high-profile corporations like Nissan Canada, Molson Coors, and Shopify. But corporate retreat from DEI will likely be less pronounced here than in the States. Public revulsion against Trump may actually inspire Canadian companies to publicly double down on or at least reaffirm their [commitment to DEI](#). Even if the corporate counterrevolution turns out to be more intense than I predict, it will likely last for only a little before inevitably giving way to economic, demographic, and business realities.

Of course, the government and politics will also have a major impact on what happens to DEI in Canada. The current Liberal federal government remains firmly committed to DEI. **Exhibit A:** On February 15, 2025, it published new [regulations](#) requiring banks to provide diversity disclosure about how many of their directors and senior managers are women, visible minorities, Indigenous peoples and persons with disabilities. And with the Liberals recently taking office, it looks like DEI in Canada is here to stay.