

JAMES LAURENCE GROUP



Director General
Marketplace Framework Policy Branch
Industry Canada
235 Queen Street, 10th Floor
Ottawa, Ontario
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May 15, 2014

Re: Industry Canada's CBCA Consultation

Please find my submission to this consultation below.

Sincerely

Debbie Cox
President,
James Laurence Group

JAMES LAURENCE GROUP



Submission to Industry Canada Canada Business Corporations Act Consultation May 15, 2014

We are pioneering a for profit social purpose corporation with the expressed intent that, as it grows, it will generate social as well as financial value. Our goal is to help create innovative and collaborative solutions to environmental and social challenges.

Increasingly, business leaders are recognizing their social performance and the shared value they generate in communities is critical to adapting to climate change, reducing poverty, improving health and social well-being and earning community/social license.

We applaud CBCA's open consideration of a special incorporation structure for socially responsible enterprises. We also applaud the European Parliament's bold and progressive new directive that requires companies with over 500 employees disclose their social performance.

While we believe in the power of Canada's corporations to voluntarily step forward to generate positive social, economic and environmental benefits in the communities where they operate, we also believe a supportive regulatory framework could help position Canada as a recognized world leader in corporate social performance.

Social responsibility is increasingly defined in terms of an enterprise's ability to meet the expectations of the people in the communities where it operates – or hopes to operate. Many projects in Canada are experiencing first-hand the challenges that arise when communities don't trust that their expectations will be met.

Our team of communications, engagement and community development specialists works with companies who recognize the benefits of operating within a shared value framework. Many of those companies are already reporting their social, environmental and financial performance on an annual basis.

Industry Canada is consulting on the Canada Business Corporations Act (CBCA) to ensure the governance framework for CBCA corporations remains effective, fosters competition, supports investment and entrepreneurial activity, and instills investor and business confidence.

We ask that Industry Canada amend the CBCA to require large companies over 500 employees to disclose their social performance using a *Report or Explain* approach. Such an approach could persuade more companies to report rather than explain why they don't, and provide markets and society with important information about a company's social and environmental performance.

Obtaining certainty around social performance measures is an important step to instill investor confidence, generate financial returns, and address our shared social, environmental and economic challenges.

Debbie Cox
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