



2009/10
COMPENSATION GUIDELINES

This document sets out policy and guidelines for Tourism British Columbia's Excluded Compensation Plan.

COMPENSATION PHILOSOPHY

Tourism British Columbia's Board of Directors approved the development and implementation of a new excluded compensation plan in 1998 to ensure relevance and a meaningful platform to compensate employees. The plan was developed by a professional, third party compensation firm (Towers Perrin) using PSEC guidelines for compensation systems. The plan, as developed by the Board of Directors, was approved by PSEC in 1999 and has been approved subsequently by Ministers of Finance.

The plan ensures compliance with guidelines in all areas:

- Relevant public and private sector comparators
- Compensation levels consistent with the 50th percentile for comparator groups
- A pay equity, gender neutral, point rated job evaluation system
- A commitment to conduct market reviews every three years
- Salary ranges
- Re-earnable incentive compensation based on industry, corporate, and individual performance with clear targets and measures

Comparator groups will be consistent throughout the lifetime of the plan.

Total compensation is made up of a combination of base salary, benefits (consistent with government standard) and a re-earnable incentive plan.

BASE COMPENSATION

Base salary pay is targeted to be at the 50th percentile of the market, with a 40% range for the minimum and maximum in each salary range.

Control

Tourism British Columbia will manage the corporate Compa Ratio to the control range of 96% to 104%, targeting a Compa Ratio at or below 100%. Since inception, Tourism British Columbia's Compa Ratio has not exceeded the control point.



Movement Through Ranges

Salary management for individual employees will be reviewed annually in order to ensure that the corporation's salary budget (approved annually by the Board of Directors of Tourism British Columbia) is not exceeded and that rationale and objective measures of performance are observed throughout the organization.

Using the performance based system for excluded staff, the maximum allowable salary increase is 7% (for exceptional performers).

The CEO, Vice President Human Resource Development, and the CFO each year jointly determine salary movement based on individual performance, in accordance with the Pay Movement Guideline Within Range, the total budget available for salary changes, and the organization's Compa Ratio.

Individual salary reviews are undertaken in May of each year in line with individual performance reviews, the business planning cycle and completion of the previous year's objectives.

Any pay changes are implemented in June of each year following the annual performance review, retroactive to April 1.

Pay Movement Guideline Within Range

Position in range/ performance	80% - 88%	88% - 96%	96% - 104%	104% - 112%	112% - 120%
Outstanding	6 – 7%	5 – 6%	3 – 4%	3 – 4%	2 – 3%
Superior	5 – 6%	4 – 5%	2 – 3%	2 – 3%	0 – 1%
Successful	4 – 5%	3 – 4%	0 – 2%	0 – 2%	0%
Progressing	3 – 4%	2 – 3%	0 – 2%	0%	0%
Marginal	0%	0%	0%	0%	0%

BENEFITS

- Standard provincial government benefits (i.e., health, vacation, sick leave (plus one week vacation for CEO))
- Perquisites: none
- Automobile Allowance: standard provincial government; CEO position only
- Pension: standard provincial government
- Severance: standard as per legislation



VARIABLE COMPENSATION

Tourism British Columbia's Re-Earnable Variable Compensation program has equal measures for corporate and individual performance:

- Corporate Performance Measures (50%)
 - Industry Performance
 - Exceed or equal Board approved forecasts for province-wide hotel revenues
 - Corporate Revenues
 - Equal or exceed Board approved forecast for corporate net revenues (not including hotel tax receipts, and interest income)
 - Industry Stakeholder Satisfaction
 - Maintain or exceed 3.5 out of 5 on a scored stakeholder satisfaction survey conducted by an independent third party research firm

- Individual Performance (50%)
 - Must come in at or under budget to receive variable compensation
 - Objectives and measures from Tourism British Columbia's Performance Achievement system

SUMMARY

Compensation for the President & CEO was established in 1997 by the Board of Directors consistent with the *Tourism British Columbia Act* and government policy. Compensation for the CEO includes annual base salary equivalent to a Deputy Minister with an annual Incentive Plan based on Corporate Revenue up to a maximum of 40% of salary, and based on corporate performance. The CEO is also provided with a standard car allowance, standard public service pension plan, as well as standard benefits and vacation (plus one week).

All other management employee compensation is reflective of the market median. Our Incentive Plan is reflective of corporate and individual performance, measured annually and paid out after receiving audited financial statements.

The President & CEO is responsible for operating within approved compensation budgets.



TOURISM BC - SUMMARY COMPENSATION TABLE FOR FISCAL 2009/10								
(a)	(b)	(d)	(e)	(f)	(g)	(h)		
Name and Principal Position	Salary	Incentive Plan Compensation Paid *	Pension	All Other Compensation	Total	2008/2009 Totals	2007/2008 Totals	
President & CEO Rod Harris	124,265	76,720	12,481	Car Allowance Parking Severance Vacation Pay Out Statutory Benefits Non Statutory Benefits Total	2,967 650 198,316 41,798 3,133 5,884 252,748	466,214	389,506	330,412
Vice President, Consumer Marketing Grant Mackay	152,926	28,578	14,985	Parking Statutory Benefits Non Statutory Benefits Total	3,000 3,387 7,619 14,007	210,495	201,755	192,924
Vice President, Partnership Marketing Don Foxgord	156,588	28,578	14,985	Parking Vacation Pay Out Statutory Benefits Non Statutory Benefits Total	3,000 3,662 3,460 4,222 14,345	214,495	199,989	186,527
Vice President, 2010/Corporate Relations Raymond Chan	142,407	26,151	13,897	Parking Statutory Benefits Non Statutory Benefits Total	3,100 3,826 4,350 11,276	193,732	184,671	N/A
Vice President, Visitor Experiences Susan Rybar	140,789	23,725	13,701	Parking Statutory Benefits Non Statutory Benefits Total	3,100 3,471 4,772 11,343	189,558	N/A	N/A
* Paid out in 2009/10 for fiscal year 2008/09								

From: Walters, Peter TCA:EX
Sent: Wednesday, June 30, 2010 3:31 PM
To: Straszak, Paul PSEC:EX
Cc: Vincent, Tom PSEC:EX; Jacobs, Murray CD:EX
Subject: FW: Exec Comp in Tourism BC: Disclosure.

Paul, the Executive Compensation Disclosure Statement for Tourism BC for 2009/10 is attached.

As the remaining Tourism BC Board Member, I attest that the Board is aware of the executive compensation paid in the prior fiscal year, and that this compensation was within the approved compensation plans for Tourism BC.

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