
NEWS RELEASE

For Immediate Release
2008FIN0007-000558
April 17, 2008

Ministry of Finance

NEW DISCLOSURE TO IMPROVE PUBLIC SECTOR TRANSPARENCY

VICTORIA – Disclosure of executive compensation across British Columbia’s public sector will be clarified and expanded through amendments to the Public Sector Employers Act introduced today, announced Finance Minister Carole Taylor.

The changes will help bring public sector compensation reporting to best practice standards and provide the public with far more detail on the underlying compensation philosophy of an organization and how that compensation relates to performance.

“These changes will further increase transparency and accountability across the public sector,” said Taylor. “We have worked with public sector employers to bring compensation disclosure to best practice standards. We will move beyond simply reporting what people were paid to a more detailed explanation on all the elements that make up the compensation package for the individual.”

The amendments will allow the government to require public sector organizations to proactively disclose the major elements of compensation, including base salary, benefits, employer pension contributions, and performance payments. The enhanced disclosure requirements will apply to chief executive officers and the next four highest paid executives, where these positions hold an annual base salary of \$125,000 or more.

In addition, each organization will need to provide an explanation of their compensation philosophy, the objectives of the compensation program and what it is designed to reward, and how the performance payments for the top five executives relate to the organization’s performance targets.

The amendments will also enable proactive web-based disclosure, a key component of best practices, with compensation information publicly posted on each organization’s website. The changes will also allow the chief executive officer of the Public Sector Employers Council to prepare and publish reports with respect to that information.

The amendments to the PSEA will also place the responsibility for setting the terms and conditions of employment, including compensation, for superintendents with boards of education. This change recognizes that boards of education are composed of elected trustees, who are fully accountable to those who elect them.

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1 backgrounder(s) attached.

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