

May 9, 2016

Christina Zacharuk
President and CEO
Public Sector Employers' Council Secretariat
Suite 210, 880 Douglas Street
Victoria, BC
V8W 2B7

Dear Christina:

Re: **Public Sector Executive Compensation – March 31, 2016**

I am pleased to present the Public Sector Executive Compensation schedule for Destination BC Corp. for the year ended March 31, 2016.

I confirm that the Board of Destination BC Corp. is aware of the compensation paid to the Executive for the year ended and that the compensation provided for the Executive was within the approved compensation plan for the corporation.

Yours truly

Destination BC Corp.

A handwritten signature in black ink, appearing to read 'Andrea Shaw', with a long, sweeping horizontal line extending to the right.

Andrea Shaw
Chair, Destination BC Corp.

Enclosures

Destination BC Corp.
Statement of Executive Compensation
Year ended March 31, 2016
Compensation Philosophy

BACKGROUND

Established on November 2, 2012 under the *Business Corporations Act* and continuing as a statutory Crown corporation pursuant to the *Destination BC Corp. Act*, Destination BC Corp. is wholly owned by the Province of British Columbia and commenced operations on April 1, 2013.

Operating as Destination British Columbia (Destination BC), the Crown corporation works collaboratively with tourism stakeholders across the province to coordinate tourism marketing at the international, provincial, regional and local levels.

Destination BC is responsible for executing key components of *Gaining the Edge*, the Provincial government's tourism strategy. In November 2014/15 Destination BC delivered its first three year corporate and marketing strategy.

MANDATE

Destination BC has a mandate to:

- Market British Columbia domestically, nationally and internationally as a tourist destination;
- Promote the development and growth of the tourism industry in British Columbia to increase revenue and employment in, and the economic benefits generated by, the industry, including, without limitation, by:
 - Providing support for regional, sectoral and community tourism marketing;
 - Providing industry leadership in tourism marketing;
 - Promoting training and development in relation to tourism marketing;
 - Providing support for visitor centres; and
 - Conducting tourism-related market research;
- Provide advice and recommendations to the minister on tourism-related matters;
- Enhance public awareness of tourism and its economic value to British Columbia; and
- Administer and perform agreements assigned to it by the Minister.

COMPENSATION PHILOSOPHY

The corporation is subject to the *Public Service Act* and all employees other than the Chief Executive Officer are subject to the terms and conditions of employment as laid down under that legislation. Consequently, Destination BC's compensation philosophy follows those dictated by the Act. Destination BC is positioning itself as a learning organization and promotes self-awareness and encourages staff to advance themselves through training and work experience.

For the CEO, the compensation package was negotiated with the Public Sector Employers' Council and is in accordance with government's compensation guidelines.

The compensation package for Vice Presidents incorporates a 10% base salary holdback. These holdbacks are released at the discretion of the CEO upon achievement of defined performance targets as set out in each individual's performance plan which aligns with the goals within the annual service plan.

Summary Compensation Table at FISCAL, 2016

Name and Position (a)	Salary (b)	Holdback / Bonus / Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2015/16 Total	Previous Two Years Totals	
							2014/15	2013/14
Marsha Walden, Chief Executive Officer	\$ 238,525	\$ -	\$ 32,997	\$ 26,157	\$ -	\$ 297,679	\$ 298,995	\$ 107,602
Grant Mackay, Vice-President, Industry	\$ 163,800	\$ 18,200	\$ 27,412	\$ 17,724	\$ 5,651	\$ 232,787	\$ 226,500	\$ 226,672
Maya Lange, Vice-President, Marketing	\$ 135,000	\$ 15,000	\$ 22,733	\$ 14,467	\$ 2,587	\$ 189,787	\$ 83,733	\$ -

Summary Other Compensation Table at FISCAL, 2016

Name and Position (a)	All Other Compensation	Severance (f)	Vacation payout (g)	Leave payout (h)	Vehicle / Transportation Allowance (i)	Perquisites / other Allowances (j)	Other (k)
Marsha Walden, Chief Executive Officer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Mackay, Vice-President, Industry Development	\$ 5,651	\$ -	\$ 5,651	\$ -	\$ -	\$ -	\$ -
Maya Lange, Vice-President, Marketing	\$ 2,587	\$ -	\$ 2,587	\$ -	\$ -	\$ -	\$ -