



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF JOBS, TOURISM AND SKILLS TRAINING
AND MINISTER RESPONSIBLE FOR LABOUR
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF DESTINATION BC
(AS REPRESENTATIVE OF THE CORPORATION)**

FOR 2014/15

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to Destination BC and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Corporation's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Corporation's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive and co-operative working relationship, resulting in the achievement of government's policy and performance expectations in a transparent and accountable manner.

CORPORATION ACCOUNTABILITIES - MANDATE

Government has provided the following mandate direction to Destination BC under the *Destination BC Corp. Act*:

- Marketing British Columbia domestically, nationally and internationally as a tourist destination;
- Promoting 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:

¹ The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown corporations. The *Government's Expectations For British Columbia Crown Agencies* provides for a Government's Letter of Expectations (Letter) to be developed.

- o Providing support for regional, sectoral and community tourism marketing;
 - o Providing industry leadership in tourism marketing;
 - o Promoting training and development in relation to tourism marketing;
 - o Providing support for visitor centres; and,
 - o Conducting tourism-related market research.
- Providing advice and recommendations to the minister on tourism-related matters;
- Enhancing public awareness of tourism and its economic value to British Columbia; and
- Administering and performing agreements assigned to it by the minister.

SPECIFIC CORPORATION ACCOUNTABILITIES

To achieve this mandate, the Corporation is directed to take the following specific actions:

- Undertake marketing and partnership activities to assist the tourism sector to achieve the targets set out in Gaining the Edge – A Five Year Strategy for Tourism in British Columbia, and report progress to the Minister regularly;
- Implement a three-year marketing plan aligned with Gaining the Edge- A Five-year Strategy for Tourism in British Columbia, with a focus on:
 - showcasing and enhancing high potential products where BC has competitive strengths, including the development of Aboriginal cultural tourism,
 - growing priority markets, including consumer and trade campaigns to capitalize on Canada's Approved Destination Status in China, and developing the emerging markets of India and Mexico, and
 - supporting the development of outstanding tourism products in BC communities, through consultation with Destination BC's tourism marketing committee and report progress to the Minister regularly;
- Provide input to, and align activities with, government's strategic priorities and guidance for the tourism sector under the BC Jobs Plan and Gaining the Edge tourism strategy, including any updates to those plans;
- Use key performance measures and indicators developed in 2013/14 to measure Destination BC and tourism industry performance and report these to the Minister regularly;
- Leverage private sector and other government (e.g. federal and local) funds through the use of provincial funds to develop joint marketing campaigns that are co-funded by the private sector and/or other governments;
- Develop and publish contracts with Regional Destination Marketing Organizations that include clearly specified deliverables and performance measures upon which funding is predicated;
- Ensure planning and implementation of the upgrading of the Visitor's Centres is undertaken within Destination BC's approved budget, with implementation beginning in 2015/16;
- Receive corporate and legal services for 2014/15 exclusively from the Ministry responsible, the BC Public Service Agency, Legal Services Branch of the Ministry of Justice and Shared Services BC under Service Level Agreements with the Ministry responsible and Legal Services Branch, unless otherwise directed by the Minister.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens and conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible.

Government sets broad policy direction to ensure the Corporation's operation and performance is consistent with the Government's Strategic Plan, found at:

http://www.bcbudget.gov.bc.ca/2013_June_Update/stplan/2013_June_Strategic_Plan.pdf

and as such, the Corporation will:

- Ensure that the Corporation's priorities reflect Government's priorities of:

Strong Economy

A government that supports our economy by controlling spending to balance the budget, keeping taxes and government debt affordable and protecting B.C.'s hard-earned triple-A credit rating.

Jobs

A government that is focused on job creation and investment in the province.

Families

A government that works continuously to improve social programs that support families of every description, and improve the lives of British Columbians.

- Comply with Crown Agency Accountability System guidelines, policy, due dates and best practices, as set out from time to time and as applicable to the Corporation, found at <http://www.gov.bc.ca/caro/publications/index.html> including the Information and Events Calendar for commercial and service delivery Crown corporations, Government's Expectations Manual for British Columbia Crown Agencies and the Best Practices Guideline & Disclosure Requirements for Governing Boards of British Columbia Sector Organizations.
- Comply with all legislation and policies applicable to the Corporation including but not limited to:
 - The executive compensation policies for Crown corporations. Found at: http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf;
 - Ensure Government is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*;
 - Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.

- Follow the spirit and intent of the financial policy requirements in the Ministry of Finance Core Policy and Procedures Manual found at:
<http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>
- Participate in government's Core and Crown reviews, which may include the review of Crown mandates, and implement the recommendations of these reviews.
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board.
- Inform Government immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

GOVERNMENT RESPONSIBILITIES

Specific to the Corporation, Government will:

- Communicate regularly with Destination BC to provide guidance and feedback on initiatives and actions related to tourism;
- Seek input from the Corporation when considering new programs, policies or investments related to tourism;
- Engage with other ministries and local and federal governments to address tourism issues that affect tourism in British Columbia;
- Act as the employer for the purpose of setting terms and conditions of employment, collective bargaining and providing employee programs and benefits.

During the term of this Letter, Government may provide further policy direction to the Ministry of Jobs, Tourism and Skills Training who will communicate any such direction, including implementation expectations, to Destination BC as decisions are made.

AREAS OF SHARED ACCOUNTABILITY

Government and the Corporation are committed to transparency and accountability to the public and have planning, reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*.

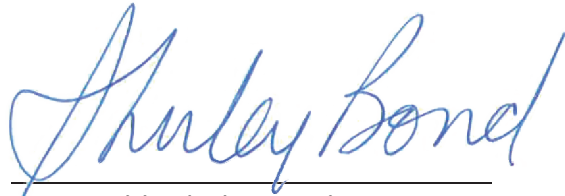
On a quarterly basis, the Minister Responsible Honourable Shirley Bond, the Deputy Minister Dave Byng, the Board Chair Andrea Shaw, and the Chief Executive Officer Marsha Walden, will meet to discuss relevant and current corporation business. The meeting will be to review the achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Corporation's Service Plan.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Corporation and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Corporation and the Crown Agencies Resource Office will post the most recent signed copy of the Government's Letter of Expectations on their respective websites.

REVIEW AND REVISION OF THIS LETTER

The Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Corporation may agree to amend this Letter on a more frequent than annual basis.



Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training
and Minister Responsible for Labour

January 30, 2014

Date



Andrea Shaw
Chair, Destination BC

February 13, 2014

Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training

Marsha Walden
Chief Executive Officer
Destination BC