

May 15, 2019

Ms. Christina Zacharuk
President and CEO
PSEC Secretariat
Suite 210, 880 Douglas Street
Victoria, B.C.
V8W 2B7

Dear Ms. Zacharuk,

RE: FY 2019 Executive Compensation Disclosure – BC Infrastructure Benefits Inc.

Please find attached the Statement of Executive Compensation covering the Fiscal 2019 period for BC Infrastructure Benefits Inc. (BCIB).

As per the Public Sector Executive Compensation Disclosure Guidelines, I, the undersigned, hereby attest the following:

- The compensation information disclosed within this report is accurate and includes all compensation paid by BCIB, foundations, subsidiaries, or any other organization related to or associated with BCIB.
- The compensation paid in 2018/2019 is within the approved compensation plan and complies with these guidelines.

Yours sincerely,



Allan Bruce
Chair, Board of Directors
BC Infrastructure Benefits Inc.

CC: Irene Kerr, President & CEO

BC Infrastructure Benefits
Statement of Executive Compensation
Reporting Period: Fiscal Year 2019
(December 2018 – March 31, 2019)

INTRODUCTION

British Columbia Infrastructure Benefits Inc., (“BCIB” or “the corporation”) is a Crown corporation wholly owned by the Province of British Columbia and was established on July 16, 2018, under B.C.’s Business Corporations Act.

BCIB is responsible for implementing the Community Benefits Agreement (“CBA”). The corporation will provide a qualified workforce for the construction of public sector infrastructure projects operating under the agreement. BCIB will recruit, hire and employ all skilled labour for these projects and prioritize opportunities for Indigenous workers, women and people with disabilities.

BCIB is comprised of union and exempt employees. Compensation for employees that are members of the collective bargaining unit, is in accordance with the terms and conditions of the Community Benefit Agreement (CBA) between BCIB and the Allied Infrastructure and Related Construction Council of BC (AIRCC). Administrative or corporate employees of BCIB are excluded from the CBA.

CORE PRINCIPLES

BCIB considers the following principles in the design, implementation and administration of its compensation programs:

Performance – Compensation programs support and promote a performance-based organization culture

Differentiation – differentiation of salary is supported where there are differences in the scope of the position within the organization and/or due to superior individual or team contributions

Accountability – Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of funds

Transparency – Compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information

COMPENSATION DISCUSSION AND ANALYSIS

In order to achieve business, operational, and service objectives, BCIB relies on the contribution of its employees. The compensation program plays a key role in BCIB’s ability to attract, motivate and retain quality employees.

BCIB's compensation plan has been approved by the Minister of Finance. BCIB has worked closely with PSEC to develop a compensation plan which closely mirrors the public service compensation plan. It reflects the perspective that total compensation includes base salary, benefits, pension, vacation and perquisites.

The compensation plan provides for participation in both the Public Service Pension Plan and the Public Service Benefits Plan. To ensure the compensation plan remains current, BCIB reviews the plan annually.

TOTAL COMPENSATION PHILOSOPHY

BCIB recognizes that a key component of an effective compensation philosophy is the need to maintain a meaningful degree of competitiveness with the relevant external labour market. BCIB must balance public sector and crown corporation equity and relativity with industry-specific comparability given the unique nature of the business it is engaged in.

Cash & Non- Cash Compensation

Cash compensation is comprised of base salary only. BCIB's non-cash compensation is comprised of benefits, pension, vacations and perquisites.

Benefits: Benefits are based on government standards, and the employer pays coverage for extended health, dental, life insurance and long term disability for managers and excluded employees.

Pension: BCIB provides a joint trustee benefit pension plan which is aligned with other public sector pension plans.

Vacation: BCIB provides between four to six weeks of vacation each year. Unused vacation may be carried forward to the following calendar year.

Perquisites: Vehicle allowance is permitted to the CEO.

Base Salary Management

The classification system mirrors that of the BC public service and the base salary for executive employees fits within one of the following two compensation bands.

Classification	Salary Range
President and Chief Executive Officer (CEO)	\$215,000 - \$295,000
Vice Presidents	\$145,000 - \$195,000

PERFORMANCE EVALUATION

In the case of the CEO, the performance review is conducted by the Board and is based on achievement of agreed upon performance goals, objectives and competencies. The CEO conducts the annual review of the executive leadership team on the same basis. All executive assessments resulting in compensation changes are reviewed with the Board and in accordance with the PSEC guidelines.

BC Infrastructure Benefits

Summary Compensation Table at 2019

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2018/2019 Total Compensation	Previous Two Years Totals Total Compensation	
							2017/2018	2016/2017
Irene Kerr, President & CEO	\$ 75,000	-	\$ 4,088	\$ 8,194	\$ 2,320	\$ 89,602		
Mario Piscitelli, Vice President, Finance & CFO	\$ 42,500	-	\$ 2,982	\$ 4,186	-	\$ 49,668		
Svetislav Plavsic, Vice President, Operations & COO	\$ 42,500	-	\$ 2,982	\$ 4,186	-	\$ 49,668		

Summary Other Compensation Table at 2019

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
Irene Kerr, President & CEO	\$ 2,320	-	-	-	\$ 2,320	-	-
Mario Piscitelli, Vice President, Finance & CFO	-	-	-	-	-	-	-
Svetislav Plavsic, Vice President, Operations & COO	-	-	-	-	-	-	-

Notes

Irene Kerr, President & CEO	General Note: 1. Ms Kerr commenced December 3, 2018 2. Ms. Kerr's 'Other Compensation' includes \$2,320 for a vehicle allowance
Mario Piscitelli, Vice President, Finance & CFO	General Note: 3. Mr. Piscitelli commenced January 1, 2019
Svetislav Plavsic, Vice President, Operations & COO	General Note: 4. Mr. Plavsic commenced January 1, 2019