

February 17, 2021

CLIFF # 6599

I Prepared for **Bobbi Sadler, Deputy Minister, Public Service Agency**
For Decision

II Issue

Approval for adjusting the Executive salary ranges effective April 1, 2021.

III Background

The Public Sector Employers' Council Secretariat (PSEC) provides guidelines for the BC Public Sector regarding executive and management compensation referred to as PSEC's Employers' Guide to Accountable Compensation. These guidelines ensure compensation decisions are consistent with Government direction and reinforces a coordinated approach across the broader public sector. As part of the guidelines, the direction allows for employers to continue the past practice of aging the salary ranges by the same percentage as unionized employees. PSEC recently confirmed that Executive salary ranges can be adjusted.

The current executive framework was implemented in 2018. During this update, new executive classification levels and associated salary ranges were approved and the salary holdback portion of executive compensation were rolled into base salary.

IV Discussion

The ability to adjust management salary ranges is permitted within the rules provided by PSEC and is within the authority of the Deputy Minister, PSA. PSEC has confirmed that increasing the salary ranges is consistent with other BC Public Sector employers.

For the BC Public Service, the BCGEU has negotiated a general wage increase of 2% effective the first pay period in April 2020 and April 2021. Table 1 shows the proposed ranges (with rounding) based on an increase to both the salary range minimums and maximums by 4%.

Table 1: Maximum and minimum of the ranges adjusted by 4%

Classification	Current Ranges Effective Oct. 1, 2018		Proposed Ranges Effective April 1, 2021	
	Minimum	Maximum	Minimum	Maximum
Executive Lead	\$120,000	\$145,000	\$124,800	\$150,900
ADM 1	\$145,000	\$185,000	\$150,900	\$192,500
ADM 2	\$165,000	\$205,000	\$171,700	\$213,300
Assoc. DM	\$190,000	\$230,000	\$197,700	\$239,300
DM 1	\$220,000	\$260,000	\$228,900	\$270,500
DM 2	\$240,000	\$280,000	\$249,700	\$291,300
DM 3	\$260,000	\$299,215	\$270,500	\$311,300
Cabinet Secretary	N/A	\$348,600	N/A	\$362,700

By applying a 4% increase to both the salary minimums and maximums, it will result in increased annual wage costs as, according to the executive compensation guidelines, all permanently appointed executives must be paid within their position's salary range. There are currently 40 executives, relatively new to their current roles, who are compensated at the minimum of their position's salary range. New labour costs associated with bringing these individuals up to the proposed minimums is \$204,400K. Details about the estimated costs and number of individuals are shown in the Appendix. PSEC has confirmed that individuals below the minimum of the salary range may be moved up to the minimum.

If salary compression is defined as less than a 10% gap between the supervisor's and subordinate's annual salary, there is currently very little compression amongst executive positions. One area where salary compression is an issue is in the ADAG positions as the three ADM 2 level positions supervise Crown Counsel and Crown Counsel Manager positions. An annual \$25K stipend has been approved by PSEC as an add to pay for these roles to address the salary compression issues. Another area of concern, while not salary compression, is the relationship between the maximum of Band 5 and Band 6 management salary ranges when compared to the minimum of ADM 1 salary range. When these levels begin to compress, it can become challenging to entice individuals to accept ADM positions, if they are offered the minimum of the range.

On August 31, 2020, the Ministry of Finance provided the attached guidelines regarding executive compensation. The letter states:

I will announce a direction for a policy to freeze executive compensation for the 2020/21 performance year. Effective today, public sector employers currently subject to compensation plans under the Public Sector Employers Act will be required to amend their plans to indicate there will be no increases or adjustments paid to executive-level employees for the 2020/21 performance year.

Under this directive, adjusting of salary ranges is still permitted and PSEC has confirmed their support for this change.

V Options

Option 1: (Recommended) Adjust range minimums and maximums by 4% effective April 1, 2021.

Pros:

- BC Public Service salary ranges for executives will maintain parity with BCGEU general wage increases.
- Keeps pace with the salary range adjustments across the BC Public Sector.
- Reduces potential for salary compression between executives and managers.

Cons:

- Will increase wage costs to government by roughly \$177.8K to bring 18 executives to within their classification's salary range.
- Public could perceive executive salary range adjustments as individual compensation adjustments.

Option 2: Adjust range minimums and maximums by 2% effective April 1, 2021.

Pros:

- BC Public Service maximum salary ranges for executives will maintain parity with BCGEU general wage increases.
- Reduces potential for salary compression between executives and managers.

Cons:

- Public could perceive executive salary range adjustments as individual compensation adjustments.

Option 3: Maintain status quo

Pros:

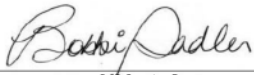
- Does not increase executive labour costs.

Cons:

- Does not maintain relativity with other BC Public Sector organizations.
- Increases the likelihood of compression with management employees.

VI Recommendation

Option 1: (Recommended) Adjust range minimums and maximums by 4% effective April 1, 2021.



Approved/Not Approved

Bobbi Sadler

Deputy Minister, BC Public Service Agency



Reviewed By

Alyson Blackstock

A/ADM, Labour Relations



Reviewed By

Sandy Zorn

Director, Total Compensation

Appendix 1: Executives at or Below the New Salary Band Minimum (4% applied to ranges)

Classification	Count	Estimated Cost
ADM 1	19	\$75,000
ADM 2	5	\$18,000
Assoc. DM*	2	\$55,000
DM 1	6	\$8,000
DM 2	5	\$28,000
DM 3	3	\$20,000
Total	40	\$204,000

*Includes \$47,700 for s.22

Date: March 12, 2021

CLIFF #6609

I Prepared for **Bobbi Sadler, Deputy Minister, BC Public Service Agency**
Debbie Godfrey, Assistant Deputy Minister, BC Public Service Agency
For Information

II Issue

Consultation Draft Action Plan to meet commitments in the *Declaration on the Rights of Indigenous Peoples Act*.

III Background

Brought into effect November 28, 2019, the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act) establishes the *United Nations on the Rights of Indigenous Peoples* (UN Declaration) as the framework for reconciliation. The *Declaration Act* requires government, in consultation and cooperation with Indigenous Peoples, to (1) ensure new and existing laws are consistent with the UN Declaration, (2) develop and implement an action plan to achieve the objectives of the UN Declaration, and (3) monitor progress through public annual reporting.

Section 4 of the *Declaration Act* commits the provincial government to develop an action plan that is proposed to be a strategic, provincial-scale, whole-of-government document that identifies short-, medium, and long-term actions that reflect priorities identified in collaboration with Indigenous Peoples. The action plan is not intended to limit, but rather supplement, ongoing reconciliation work that will continue whether it is in the action plan.

Corporately, workforce/workplace reconciliation has been influenced by minister mandate letters and three key documents – *Draft Principles that Guide the Province of British Columbia's Relationship with Indigenous Peoples* (10DP), *Reconciliation Road Map – Recommended Pathway to Building Competency* (Reconciliation Road Map), and now *Where We All Belong: Diversity & Inclusion Three-Year Strategy [2020-2023]*. The BC Public Service Agency (PSA) has created a Draft Corporate Reconciliation Framework that will further guide workforce/workplace reconciliation and complement the new corporate diversity and inclusion strategy.

IV Discussion

The Ministry of Indigenous Relations and Reconciliation (MIRR) delegated responsibility for Phase One Engagement with Indigenous partners on priority areas and potential actions to members of the Reconciliation Champions Table. Phase One Engagement resulted in the creation of two documents: "What We Heard" Document and the Consultation Draft Action Plan.

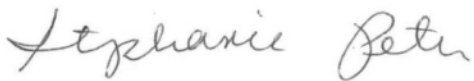
The internal approval process for these documents involves the Assistant Deputy Minister (ADM) Reconciliation Table, Deputy Minister Committee for Natural Resources (DMCNR), Deputy Minister Committee on Social Initiatives (DMCSI), the Planning and Priorities Committee (not confirmed) and Cabinet. Upon receiving cabinet approval of the Consultation Draft Action Plan, Reconciliation Champions will bring the document to Indigenous partners for Phase Two Engagement.

The Consultation Draft Action Plan commits the Public Service Agency to implement four initial actions in consultation and in collaboration with Indigenous Peoples.

The final Action Plan is meant to supplement existing reconciliation work. The Public Service Agency's existing reconciliation work has focused on the creation of a Draft Reconciliation Framework, which requires a consultation and engagement process to build out a final strategy. Aligning engagement activities to be inclusive of the *Declaration Act* Action Plan and Draft Reconciliation Framework requires a coordinated approach with which all lines of business within the Public Service Agency are knowledgeable and aware.

V Next Steps:

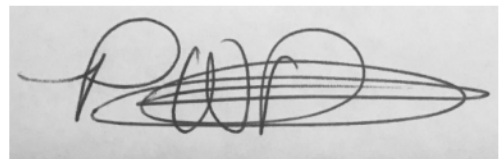
- Brief PSA executive (date to be determined) and senior leaders (next meeting date April 14, 2021) on *Declaration Act* Action Plan process and commitments.
- Meet with appropriate business lines within the PSA to identify current state and align work with *Declaration Act* Action Plan.
- Develop a consultation and engagement plan for the PSA actions in the *Declaration Act* Action Plan and the Draft Corporate Reconciliation Framework.



Prepared by
Stephanie Peter
Indigenous Initiatives Lead



Reviewed By
Debbie Godfrey
Assistant Deputy Minister
People and Organizational Development (POD)



Reviewed By
Priscilla Sabbas-Watts
Director
Diversity and Inclusion, POD



Approved by
Bobbi Sadler
Deputy Minister
Public Service Agency

April 14, 2021

CLIFF # 6638

I Prepared for **Bobbi Sadler, Deputy Minister, BC Public Service Agency**
For Decision

II Issue

Three band 6 requests for consideration from the Crown Agency Secretariat, Ministry of Finance.

III Background

The Deputy Minister of the PSA has the authority for approving band 6 positions under the Management Classification and Compensation Framework (MCCF). The Ministry of Finance is creating a new organization, the Crown Agency Secretariat (CAS). Douglas Scott is the dedicated Deputy Minister for CAS. As part of this new organization, the DM is requesting approval for three band 6 positions called Principals (job profile attached). CAS currently has two executive lead positions which would be retired under the proposed three band 6 organizational structure. A summary of the organization's mandate and the position's accountabilities are in Appendix 1.

IV Discussion

Band 6 roles are assessed using the MCCF Job Evaluation Plan and related benchmarks. The MCCF Job Evaluation Plan evaluates each role using three overarching criteria: Leadership, Problem Solving (scope/impact, complexity, influence), and Autonomy (independence and discretion).

Leadership

In terms of leadership these roles likely meet the band 6 criteria as under a matrix organizational model, each Principal, while focused on their own portfolio of crowns, will direct the work of all three functional lines of business which involve all crowns under CAS' mandate.

Problem Solving

The scope and impact of the roles meets the band 5 level, but not the band 6 level because these roles only provide advice and guidance, they are not responsible for the successful implementation of each crown's mandate. The role meets the band 6 criteria for complexity. Crown corporations have traditionally been independent from direct government oversight. s.13; s.17

s.13; s.17 The crowns included under CAS' mandate all have highly sensitive and highly public issues within each of their respective domains. The Principals will actively engage executives and board members on all three functional lines of business which presents a high degree of complexity. The Principal role also meets the band 6 criteria for influence. As previously noted, s.13; s.13; s.17

s.13; s.17

The Principal's ability to influence crown organizations will

depend upon the Principal's ability to build solid relationships with board members and crown executives while respecting the independence crowns have been accustomed to.

Autonomy

The role meets the band 5 criteria for independence as it provides independent judgement on highly complex issues with government wide impact. The role does not meet the band 6 criteria for independence as the role does not have any statutory decision making authority and doesn't make decisions that directly impact government priorities, the role is limited to providing advice and recommendations to more senior decision makers. The role does meet the band 6 criteria for discretion. The role will be influencing the direction of crown services, projects, multi-faceted policies, and related legislation.

The roles meet enough of the band 6 level criteria for band 6 approval. Some of the accountabilities the Principals have were previously the responsibility of the two existing Executive Lead positions which will be retired as part of this new organizational structure. There is also a band 6 precedent for this type of role. Transportation has previously obtained approval for a band 6 role performing similar crown oversight duties. The ED, Crown Agencies in Transportation is responsible for similar oversight of crowns:

Provides direction and oversight on the financial performance of the ministry's Crown Agencies including Insurance Corporation of BC (ICBC), BC Pavilion Corporation (PavCo), BC Railway Company (BCRC) and Transportation Investment Corporation (TI Corp).

V Options

Option 1: (Recommended) Approve three band 6 roles for CAS

Pros:

- Results in the elimination of two executive lead positions.
- Supports the implementation of a government priority.

Cons:

- Increases the number of band 6 positions, which are limited to 2%.

Option 2: Do not approve three band 6 roles

Pros:

- Maintains the current number of band 6 positions.

Cons:

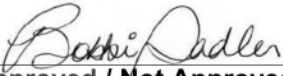
- CAS will be forced to revisit their organizational structure.
- Implementation of CAS' work will be delayed.

VI Recommendation


Option 1: (Recommended) Approve three band 6 roles for CAS

Attachments

Job Profile for the Principal, CAS
Org Chart for the Crown Agency Secretariat


Approved / Not Approved
Bobbi Sadler
Deputy Minister, BC Public Service Agency


Recommended By
Alyson Blackstock
ADM, Employee Relations


Reviewed By
Sandy Zorn
Director, Total Compensation

Appendix 1 Organization and Position Summary

According to the information submitted, CAS is responsible for the following:

CAS is to work with certain crowns, their boards and responsible ministries, to provide financial and policy oversight on all matters pertaining to the crown sector. CAS also oversees corporate planning and reporting for ministries and crowns and leads public sector board appointments and governance best practices and training. In addition to oversight, CAS will provide advisory services to Ministries and a broader range of crowns.

Each Principal in CAS will be responsible for a different portfolio of crown organizations. The primary accountabilities include:

- Establishes and maintains effective working relationships with Boards of Directors and CEOs in various crowns, as well as senior executive and Ministers.
- Initiates and leads change initiatives within crowns and ministries to ensure rigorous, public interest oversight of crowns in alignment with government's priorities.
- Provides provincial coordination of the response to urgent and controversial, complex or politically-sensitive issues.
- Provides advice to the CAS DM and other Deputy Ministers and Ministers on strategies for advancing government's priorities across the crown sector, including policy and legislative changes, governance and operational reviews, communications and stakeholder strategies, financial monitoring tactics and approaches for issues or crisis management.
- Directs the design, development and implementation of major transformation initiatives within crowns, establishing and managing cross-government executive governance structures to provide effective monitoring and oversight for these initiatives.

Each Principal will lead a business unit which specializes in one of three functional lines of business; policy, legislative and regulatory development; financial and risk analysis; communications and stakeholder engagement (org chart attached). While the Principals will focus their oversight on a subset of crown organization, subordinate staff will provide oversight to all crown organizations under CAS' oversight, within their specific functional line of business. A list of s.12; s.13 have been identified as priorities for CAS oversight, shown below.

s.12; s.13

CAS is currently focused on s.12; s.13
s.12; s.13

s.12; s.13 The goal with CAS is to provide a centralized, coordinated and consistent approach to oversight of crown organizations. CAS has indicated the oversight model used will vary for each crown, depending upon the scope and issues in question at each crown.

In practical terms oversight will be achieved through two mechanisms, direct and indirect. Direct oversight will be achieved by Principals attending Board and Board sub-committee meetings and holding regular meetings with the CEO and Executive Councils of Boards. Indirect influence will be achieved through the ongoing review of crown service plans, mandate letter developments, business planning and capital plans and by providing recommendations and feedback to crowns and ministries.

TITLE: PRINCIPAL, CROWN AGENCY POLICY & STRATEGIC INITIATIVES

CLASSIFICATION: BAND 6

MINISTRY: CROWN AGENCIES SECRETARIAT (FINANCE)

SUPERVISOR TITLE: DEPUTY MINISTER

SUPERVISOR POSITION #: 00127062

CONTEXT

Crown corporations, post-secondary institutions, health authorities, commissions, councils and other bodies (Crowns) comprise British Columbia's approximately 250 public sector organizations, established by government to serve the public interest and to advance overall public policy objectives. Collectively, these organizations are responsible for billions of dollars in assets and liabilities, operate in many sectors of the provincial economy, and oversee the delivery of core services, such as utilities, healthcare, education and other social supports.

The Crown Agencies Secretariat (CAS) is a new central agency of the B.C. government. The primary role of the CAS is to work with certain Crowns – their boards and staff – as well as responsible ministries, to provide financial and policy oversight on all matters pertaining to the Crown sector, supporting government to deliver on its priorities. This new oversight function includes policy, legislative and regulatory development; financial forecasting and analysis; risk monitoring/mitigation; communications and stakeholder engagement; correspondence; issues management; and, where applicable, capital projects and major transformation initiatives. CAS also oversees corporate planning and reporting for ministries and Crowns and leads public sector board appointments and governance best practices and training, delivered through the Crown Agencies and Board Resourcing Office (CABRO).

JOB OVERVIEW

The Principal, Crown Agency Policy and Strategic Initiatives is a key contributor within the BC Public Service that provides responsive advice and executive support to the CAS Deputy Minister and Minister of Finance, as well as other Deputy Ministers and Ministers across government who have responsibility for Crowns. This position is accountable for taking action to advance government's strategic policy and financial agenda within the Crown sector, ensuring that various ministers' mandate letter priorities and service plan goals related to the business of Crowns are achieved and that Crowns are managing their business in the public interest and in alignment with government's priorities.

Viewed as a progressive, trusted and well-respected leader of integrity, this position works diligently to build effective, trust-oriented and long-lasting relationships on behalf of the organization, and has responsibility for establishing and nurturing CAS' relationships with Boards of Directors and Chief Executive Officers in Crowns, as well as senior executive and Ministers from various line ministries and central agencies across government.

A strategic thinker and outstanding communicator, this position translates government's and the organization's vision and priorities for Crown oversight and support services into action, overseeing the design

Date: August 24, 2021

and implementation of legislative, regulatory, policy, program, budget, communications and/or stakeholder initiatives to facilitate and lead change within Crowns and/or responsible ministries.

This position is an integral part of CAS' Executive Leadership Team, collaboratively establishing the strategic vision and business priorities for the organization, empowering staff to accomplish organizational goals and demonstrating leadership for planning activities required as part of regular business cycles. To deliver on CAS' mandate and priorities, this position leads diverse, multi-disciplinary teams of professionals in a complex, high-profile environment and is skilled at communicating ideas, negotiating effectively and managing conflicts in this context.

ACCOUNTABILITIES

- On behalf of the organization, establishes and maintains effective working relationships with Boards of Directors and CEOs in various Crowns, as well as senior executive and Ministers in the ministries responsible for them.
- Builds strategic alliances with a diverse range of stakeholder and partner groups internal and external to government, anticipating stakeholder issues and positions, exercising diplomacy and discretion in interactions, prioritizing and advancing common interests and resolving emerging conflicts to support government in advancing its objectives with respect to Crowns.
- Initiates and leads change initiatives within Crowns and ministries to ensure rigorous, public interest oversight of Crowns in alignment with government's priorities.
- Provides leadership and oversight for controversial, complex or politically-sensitive initiatives, providing provincial coordination of the response to urgent and emerging issues.
- Provides advice to the CAS DM and various other Deputy Ministers and Ministers on strategies for advancing government's priorities across the Crown sector, including policy and legislative changes, governance and operational reviews, communications and stakeholder strategies, financial monitoring tactics and approaches for issues or crisis management.
- Directs the preparation of Cabinet, Treasury Board and other briefing materials, leading briefings with Deputy Ministers, Ministers and other elected officials on a regular basis.
- Directs the design, development and implementation of major transformation initiatives within Crowns, establishing and managing cross-government executive governance structures to provide effective monitoring and oversight for these initiatives.
- Identifies opportunities to build capacity within Crowns to support government's corporate priorities, such as advancing reconciliation with Indigenous peoples and GBA+ analysis.
- Leads organizational strategic and business planning processes, actively seeking input from clients and motivating staff to achieve the objectives and goals set out by the organization.
- Participates in Deputy Ministers' sub-committees on behalf of CAS (i.e. Assistant Deputy Minister or Deputy Minister Committees when required).
- Attends and presents at Cabinet Committees and Treasury Board in support of various ministers responsible for Crowns.
- Contributes to building CAS' credibility as a high performing, responsive organization that provides quality support to government and ministries in managing their Crowns.
- Oversees the management of Crowns' finances and associated risks, including multi-billion dollar operating budgets and major infrastructure projects that have the potential to significantly impact the Fiscal Plan and/or involve considerable reputational risk for government.

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- Provides direction, advice and guidance to professional staff, fostering a culture of trust and empowerment within the organization.
- Exercises delegated financial, human resources and operational decision-making authority and acts as Deputy Minister when required.

JOB REQUIREMENTS

Education:

- Relevant post-secondary degree (such as Public Administration, Business Administration, Economics, etc.) and seven years of related experience; or an equivalent combination of education and experience.

Related Experience:

- Experience in a senior leadership role with a proven record in managing complex, high-profile and politically sensitive initiatives in a high-stakes environment.
- Experience in negotiating/mediating solutions and maintaining positive relationships across a spectrum of stakeholders, especially in environments where stakeholder perspectives are varied and achieving consensus may not be possible.
- Experience in a senior leadership role providing expert advice, developing and executing stakeholder, communications, policy, financial or legislative strategies to advance government priorities.
- Experience creating and managing change initiatives within the public sector.
- Experience working with Boards of Directors and Chief Executive Officers within Crowns or similar organizations.
- Experience working directly with Deputy Ministers, Ministers and elected officials.
- Experience preparing for and presenting to Cabinet and Treasury Board, preferably involving complex and/or sensitive subject matter.
- Experience managing or overseeing large budgets.
- Experience leading people and managing organizational resources.

Knowledge:

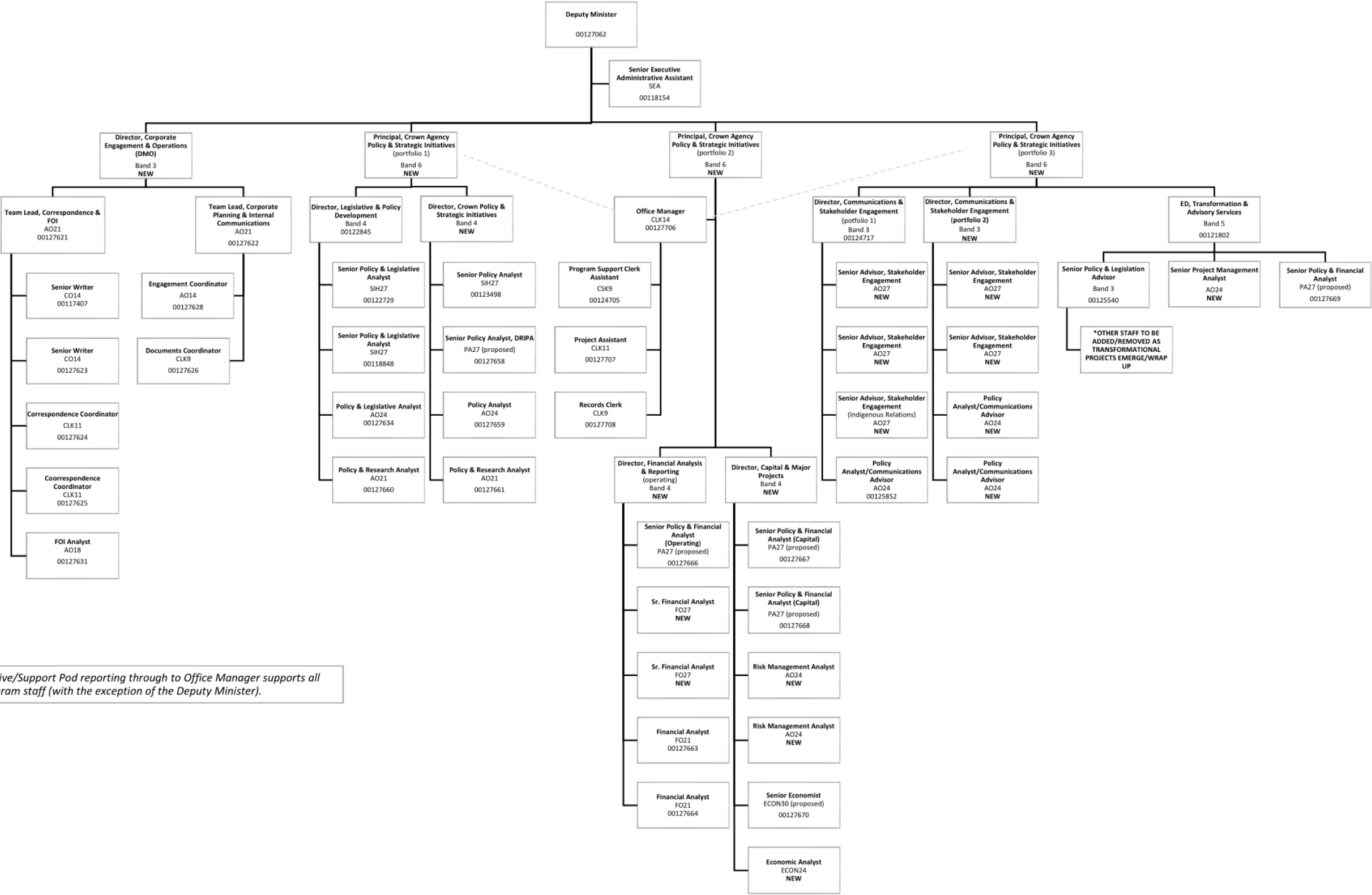
- Familiarity with the Crown sector in British Columbia, including Crown governance structures.
- Knowledge of provincial corporate performance planning and reporting requirements and how they relate to Crowns.
- Knowledge of provincial financial planning and reporting requirements and how they relate to Crowns.
- Familiarity with the legislative and regulatory development process in British Columbia.

BEHAVIOURAL COMPETENCIES

- **Vision and Goal Setting** involves knowledge and skills in establishing official and operative goals for the organization/units and to establish a system of measuring effectiveness of goal attainment.
- **Creating and Managing Change** involves knowledge and skills to manage in the organization through setting direction and urgency, building a coalition of support, communicating widely, handling resistance to change and facilitating implementation of successful change actions.

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- **Executive Presence** involves knowledge and skills in influencing others and having an observable impact at the executive level, through personal credibility, leadership, confidence, and an understanding of other people's perspectives and interests.
- **Integrity and Authenticity** means building a culture of trust, integrity, risk taking and creative thinking in the organization through demonstrating personal integrity, using feedback to self improve, following through on commitments and acting consistently with the espoused values and culture of the organization.
- **Building Strategic Alliances** involves knowledge and skills to engage in internal and external stakeholder analysis and to negotiate agreements and alliances based on a full understanding of power and politics.
- **Corporate intrapreneurship** focuses on venture creation, governance, differentiation and integration of new ventures within the organization.
- **Handling crises** involves effectively managing risks and crises and handling public relations.
- **Building team orientation** involves knowledge and skills in developing group identity, participative decision making and open and effective communication.
- **Leading People** means motivating, empowering and leading employees to accomplish goals and objectives, rewarding high performance, promoting empowerment and developing employees, providing opportunities for growth and managing issues with the organization.



Note - Administrative/Support Pod reporting through to Office Manager supports all executive and program staff (with the exception of the Deputy Minister).