

EXECUTIVE COMPENSATION DISCUSSION & ANALYSIS

Compensation is an important tool used by the Legal Services Society (“LSS”) to attract, motivate and retain executives with the requisite skills, experience and commitment necessary to achieve the organization’s goals and objectives. The types and amounts of executive compensation provided are determined by the Board of Directors, with oversight provided by the Crown Corporation Employers’ Association and the Public Sector Employers’ Council Secretariat. Independent compensation consultants are retained from time-to-time to assist in the collection and analysis of market comparison information on executive compensation and provide other consulting services as required regarding executive compensation.

LSS’ executive compensation program is based on three fairness criteria, including external equity, internal equity and individual equity. External equity is achieved through the organization’s compensation philosophy of providing total compensation equal to the 60th percentile of total compensation provided to comparable positions by relevant comparison organizations. Total compensation includes base salary, incentive or other cash payments, perquisites, retirement and other benefits and all forms of paid time off.

Internal equity is maintained by ensuring that the salary ranges are consistent with the relative internal value of each LSS position. Internal values are determined by an ongoing analysis of the responsibilities and accountabilities of positions using LSS’ point factor job evaluation program, which is administered by the Executive Compensation Committee. The Executive Management Committee positions are evaluated externally by independent compensation consultants using the same point factor job evaluation program.

Individual equity is achieved by ensuring that salary progression within the respective salary range reflects increasing levels of competence and individual performance. It is LSS’ belief that an executive’s contribution and value increases as his or her tenure in the position increases and he or she demonstrates strong job performance.

Opportunities exist for Management staff to receive bonuses based on available funds. When funds are available, bonuses are awarded to exempt staff as determined by the CEO/Executive Director. The amount paid is based on individual performance and achievement of Corporate, Divisional and Service Plan responsibilities, accountabilities and overall contribution to the Society.

The CEO/Executive Director is eligible for an annual incentive payment. The amount of the incentive award is determined by the Board of Directors’ assessment of the CEO/Executive Director’s achievement of the performance objectives established for him at the beginning of the fiscal year.

The CEO/Executive Director is provided with a defined contribution retirement arrangement wherein LSS provides an amount equal to 8.47% of the CEO/Executive Director’s salary for contribution to his RRSP. The remaining LSS executives participate in the Municipal Pension Plan.

All exempt Management staff are provided a competitive range of standard public sector benefit entitlements such as Extended Health, Medical, Dental, Vacation and Sick Plan etc.

Legal Services Society
Bill 33 - Statement of Executive Compensation Report

COMPENSATION TABLE

Name and Principal Position (a)	Salary (\$) (b)	Bonus * (\$) (c)	Incentive Plan Compensation Paid (\$) (d)	Pension (\$) (e)	All Other Compensation (\$) (f)	Total (\$) (g)
Mark Benton, Executive Director	\$191,724		\$7,139	\$13,663	\$28,128	\$240,654
Harold Clark, Director – Strategic Planning, Policy & HR	\$134,735		N/A	\$11,726	\$29,728	\$176,189
Catherine McNeil, Director – Finance & Corporate Services	\$123,233		N/A	\$10,636	\$19,270	\$153,139
Heidi Mason, Director – Public Legal Information & Applications	\$133,198		N/A	\$11,496	\$19,519	\$164,213
Edward Tanaka, Director – Legal Advice & Representation	\$117,545		N/A	\$10,143	\$18,581	\$146,269

M. Benton
 column (b) includes \$21,072.45 retro pay related to 2005 & 2006
 column (d) bonus includes \$7,139 for 06/07 FY
 column (f) includes \$957.20 vacation paid out
 column (f) includes \$3,188.82 statutory employer contributions
 column (f) includes \$9,303.29 in employer pd benefit premiums
 column (f) includes \$6,960 car allowance payment
 column (f) includes \$4,368 for parking benefit
 column (f) includes \$3,350.19 for other

*H. Clark
 column (f) includes \$10,783.06 vacation paid out
 column (f) includes \$3,609.02 statutory employer contributions
 column (f) includes \$7,168.16 in employer pd benefit premiums
 column (f) includes \$4,368 for parking benefit
 column (f) includes \$3,799.27 for other

*C. McNeil
 column (f) includes \$3,186.11 statutory employer contributions
 column (f) includes \$9,298.35 in employer pd benefit premiums
 column (f) includes \$4,368 for parking benefit
 column (f) includes \$2,417.70 for other

*H. Mason
 column (f) includes \$3,288.63 statutory employer contributions
 column (f) includes \$9,251.18 in employer pd benefit premiums
 column (f) includes \$4,368 for parking benefit
 column (f) includes \$2,611.18 for other

*E. Tanaka
 column (f) includes \$3,237.08 statutory employer contributions
 column (f) includes \$8,697.77 in employer pd benefit premiums
 column (f) includes \$4,368 for parking benefit
 column (f) includes \$2,278.64 for other

*** Note** - When the Society has sufficient funds, bonuses are awarded.
 For FY 06/07, bonuses were awarded but are not included here as they were paid in FY 08/09.
 These bonuses will appear in next years reporting.