



# BRITISH COLUMBIA

## SHAREHOLDER'S LETTER OF EXPECTATIONS BETWEEN

### THE MINISTER OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT (THE "SHAREHOLDER") AND TOURISM BRITISH COLUMBIA

#### **PURPOSE**

The Province of British Columbia's *Governance Framework for Crown Corporations* (<http://www.gov.bc.ca/cas>) establishes guiding principles for the governance of Crown corporations. The Governance Framework also identifies roles and responsibilities for the Shareholder and Crown corporations and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

The purpose of the Letter is to confirm the shared understanding of the Shareholder, represented by the Minister of Small Business and Economic Development, and the Chair of Tourism British Columbia on corporate mandate, public policy issues, strategic priorities and performance expectations. The Letter will serve as the basis of agreement between the Shareholder and Tourism British Columbia on those issues, priorities and expectations and will, as a result, inform the development of Tourism British Columbia's Service Plan.

This Letter does not create any legal or binding obligations on the part of the Shareholder or Tourism British Columbia but rather is intended to define and develop a positive and co-operative working relationship.

This Letter will be effective upon the date of signing, and will cover the period up to and including March 31, 2006. The Letter will be reviewed and where necessary amended annually. The Letter applies to the Shareholder and Tourism British Columbia.

## **SHAREHOLDER ACCOUNTABILITIES**

In developing a system of Crown corporations in British Columbia, the Shareholder is accountable for the legislative, regulatory and public policy framework in which Crown corporations operate, including:

- establishing, reviewing, revising and communicating Crown corporations' mandates;
- establishing the overall and Crown specific financial frameworks under which Crown corporations operate (borrowing, investment, and contributions to the Shareholder);
- issuing performance management guidelines, including specifications for service planning and annual reports;
- providing strategic input and advice to Crown corporations in the development of their Service Plans;
- advising Crown corporations of government's priorities, strategic decisions, and public policy and performance objectives and expectations that may impact the Crown corporation; and
- issuing directives or orders, or sponsoring submissions on behalf of Crown corporations that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate Crown corporations fulfilling their mandates and achieving the performance targets outlined in Crown corporations' Service Plans.

During the term of this letter, the Shareholder anticipates providing policy direction in a number of areas including:

- Capital Asset Management Framework
- enterprise risk management
- zoning and land use
- property taxation
- donation policy
- First Nations (treaty negotiations/land selection)
- environmental remediation, and
- development of communications plans.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives and targets identified in Crown corporations' Service Plans.

Specific to the corporation, the Shareholder:

- has continued Tourism British Columbia as an agent of the Shareholder under the *Tourism British Columbia Act*, which establishes its mandate, structure, financial framework and legislated responsibilities and accountabilities;
- provides broad policy direction and confirmation of general frameworks/principles, within which Tourism British Columbia may establish and apply specific policies/procedures; and
- will develop, with the assistance of Tourism British Columbia, a provincial tourism strategy.

## **TOURISM BRITISH COLUMBIA ACCOUNTABILITIES**

Tourism British Columbia's mandate, as defined in the *Tourism British Columbia Act*, is to be responsible for:

- marketing British Columbia as a tourism destination;
- providing information services for tourists;
- encouraging enhancement of standards of tourist accommodation, facilities, services and amenities;
- enhancing professionalism in the tourism industry;
- encouraging and facilitating the creation of jobs in the tourism industry;
- collecting evaluating and disseminating information on tourism markets, trends, employment, programs and activities and on availability and suitability of infrastructure and of services that support tourism activities; and
- generating additional funding for tourism programs.

In responding to the general and specific frameworks and direction of the Shareholder, Tourism British Columbia is accountable for:

- achieving its mandate and the performance expectations and objectives of the Shareholder, including establishing and implementing corporate strategies, policies, programs and plans that are consistent with the Shareholder's general direction and consistent with principles of efficiency, effectiveness, consumer choice and customer service;
- preparing a Service Plan with clearly articulated goals, objectives, strategies and performance measures and targets, and annual reports which detail progress toward achieving those goals;
- undertaking any restructuring activities necessary to achieve the directions set out in the Core Services Review established by the Shareholder;
- identifying for the Shareholder any public policy issues requiring clarification;
- developing and implementing strategies to mitigate risks identified in the Service Plans;
- initiating and/or making proposals to improve Tourism British Columbia's effectiveness and efficiency in collaboration with the Shareholder;

- providing the Shareholder with timely reports and other information that would enable the Shareholder to carry out its responsibilities, including the information set out in Appendix One;
- providing timely information to the Shareholder if Tourism British Columbia is unable to meet the targets identified in its Service Plan; and
- providing an annual communications plan to the Shareholder and working in co-operation with the Shareholder to execute the plan.

Specifically, Tourism British Columbia will, within the legislative, policy and regulatory framework established by the Shareholder:

- assist the Ministry of Small Business and Economic Development to complete a provincial tourism strategy, parts of which will be implemented by Tourism British Columbia in keeping with the mandate of Tourism British Columbia as described above, and which will be focused on increasing provincial tourism revenues, and will include identification of proposed responsibilities for provincial entities and the private sector.

## **COMMUNICATIONS EXPECTATIONS AND REPORTING REQUIREMENTS**

It is agreed by both the Shareholder and Tourism British Columbia that to ensure effective and efficient day-to-day communications and relationship building, officials representing both parties will be tasked with implementing the contents of this Letter and keeping the Minister Responsible and the Board of Directors informed of progress in a very timely fashion.

It is agreed by both the Shareholder and Tourism British Columbia that there will be advance discussion and review of key strategic documents such as Service Plans, Quarterly Reports and Annual Reports. These discussions will be completed sufficiently in advance to ensure effective and timely input by the Shareholder.

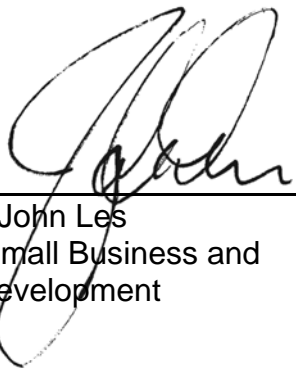
The Shareholder and Tourism British Columbia are committed to enhanced transparency and accountability to the public. While both parties note that reporting to the Shareholder and the public continues to evolve, the Shareholder has put in place a public reporting structure set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act*. Tourism British Columbia agrees that it will meet the requirements of this legislative structure. The Shareholder will provide the Corporation a financial reporting calendar and the detailed list of performance reporting requirements - see CAS website <http://www.gov.bc.ca/cas>. In addition to the general reporting requirements established in legislation, the Shareholder and Tourism British Columbia agree to provide timely information related to risks anticipated in achieving financial forecasts.

Tourism British Columbia will work with the Shareholder to maximize opportunities to profile tourism issues and events to mutual advantage, and all significant Tourism British Columbia communications and publications will be provided to the Shareholder for review and comment at least two business days prior to publication.

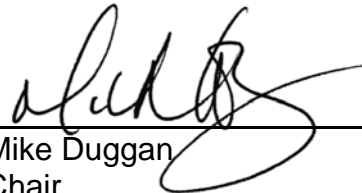
The Shareholder and Tourism British Columbia agree, that as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of Tourism British Columbia or the interests of the Shareholder.

In addition to co-ordinating the overall process for preparing this Letter on behalf of the Shareholder, the Crown Agencies Secretariat is also accountable for undertaking an annual review of this Letter as well as monitoring its implementation. It is noted that this Letter can, if necessary, be modified in advance of the annual review if deemed necessary by one or both parties.

It is agreed that the Shareholder and Tourism British Columbia will work cooperatively to achieve the expectations identified in this Letter.



Honourable John Les  
Minister of Small Business and  
Economic Development



Mike Duggan  
Chair  
Tourism British Columbia

MAR. 8/04  
Date

Feb. 26 / 2004  
Date

- cc. Honourable Gordon Campbell  
Premier
  
- Ken Dobell  
Deputy Minister to the Premier  
Office of the Premier
  
- Dana Hayden  
Chief Executive Officer  
Crown Agencies Secretariat