

2009 Review of Total Compensation – Summary

The Bank relies on talented staff to conduct research, monitor and analyze complex issues, provide services, and manage operations. As a knowledge-based organization, the Bank strives to create a superior work environment, one that attracts and engages the best employees to achieve its goals.

One of the key corporate priorities outlined in the Bank's current medium-term plan was to further align its staff recruitment and development strategies with the challenges posed by changing business needs, labour market conditions, and demographics. To that end, in 2009, the Bank undertook a comprehensive, evidence-based review of all elements of its total compensation package. The key drivers of this review were:

- a need to update markets of comparison for jobs offered at the Bank, in order to ensure that the most relevant comparative data are used to evaluate the Bank's total compensation offer
- ensuring that the Bank remained consistent with best practices in compensation plan design
- recognition of the Bank's evolving business needs
- the implications of an aging and more mobile labour force

As a result of this review, the Bank is making several changes to its total compensation package in order to meet its objective of being Canada's pre-eminent macro-policy institution, while maintaining its commitment to good corporate governance and responsible stewardship of public funds. Once implemented, these changes are expected to result in:

- an improved ability to attract and retain highly skilled professionals with a total compensation that remains competitive and responds to changing market conditions
- the use of more relevant comparative data (markets of comparison) in setting total compensation at the Bank
- enhanced flexibility in salary design, to support retention of strong contributors and to respond more quickly to future changes in labour market conditions
- a more effective use of budgeted total compensation dollars
- an enhanced ability to manage long-run costs and ensure that post-retirement pension and benefits are sustainable

The Bank of Canada provides its employees with a fair and competitive total compensation package, together with distinctive learning and development opportunities and a superior work environment. Further information about the Bank and career possibilities can be found on the Bank's website at <http://www.bankofcanada.ca/en/hr/index.html>.