

Approved as at March 3, 2011

Terms of Reference for the Human Resources Committee

Purpose

The human resources committee assists the board in

- ensuring the commission has an effective organizational structure and competitive human resources and compensation policies and practices
- ensuring appropriate processes are in place for the selection, evaluation, compensation, and succession of senior management
- evaluating and determining compensation for the chair
- such other related initiatives as may be necessary or desirable to enhance board performance

Composition and operations

The committee consists of at least three independent commissioners. The committee meets at least four times a year, and otherwise as necessary. The committee operates under the Terms of Reference for Board Committees.

Duties and responsibilities

The committee has the following specific responsibilities.

Policies and compensation

Review annually the commission's organizational structure, compensation philosophy, performance management system and compensation guidelines, and human resources policies, and recommend to the board any necessary changes. Review the annual adjustments to compensation proposed by management and, if satisfied, recommend approval to the board.

Executive director selection and appointment

Advise the chair, who establishes and leads the process for identifying, recruiting, and appointing the executive director. With input from the board, assist the chair in

- developing criteria to be met by prospective candidates, and a broad competitive search process
- reviewing and assessing qualifications of candidates and recommending a candidate to the board

Senior management appointments

Review management's proposals for the appointment of executives and senior managers. If appropriate, conduct exit interviews of individuals leaving executive positions.

Succession planning

At least annually review management's succession and development plans for the executives and senior managers.

Evaluation and compensation of the chair

Lead the annual evaluation process for the chair. In particular

- develop a preliminary assessment of performance based on the results of the evaluation questionnaires, and present these to the board
- with input from independent commissioners, individually and as a group, finalize the performance assessment
- review the performance assessment with the chair
- develop, jointly with the chair, and with input from the board, goals and objectives for the ensuing year

Considering the chair's performance and data from comparable organizations, review and annually recommend to the board the chair's proposed incentive payment, if any, for the previous year, and the chair's proposed compensation for the ensuing year.

Evaluation and compensation of the executives and senior managers

Review mid-year, in consultation with the chair, for each executive, their performance against objectives to that point in the year.

Review annually, in consultation with the chair, for each executive

- the performance evaluation for the previous year against objectives and the proposed incentive payment, if any
- the objectives and evaluation criteria for the ensuing year
- the proposed compensation for the ensuing year.

Review mid-year, in consultation with the chair and executive director, for each senior manager, their performance against objectives to that point in the year.

Review annually, in consultation with the chair and the executive director, for each senior manager

- the performance evaluation for the previous year against objectives and the proposed incentive payment, if any
- the objectives and evaluation criteria for the ensuing year
- the proposed compensation for the ensuing year.

Compensation of independent commissioners

Review annually the compensation of the independent commissioners using data from comparable organizations and make appropriate recommendations to the board.

Reporting on performance

Ensure the board receives an annual report

- from the chair, regarding the performance of the executives, other than the vice chair
- from the executive director, regarding the performance of the senior managers

Ensure the independent commissioners receive, on at least an annual basis

- a report from the chair, regarding the performance of the vice chair
- a report from the committee, regarding the performance of the chair

Mandate review and self-evaluation

On an annual basis, review these Terms of Reference and evaluate the committee's performance against them. Report the results of the review and self-evaluation, and make appropriate recommendations, to the governance committee.