



Press Release

APEX is Frustrated by Continued Unwarranted Attacks on Executive Compensation

Ottawa - June 10, 2005 — Mr. Robert Emond, President of the Association of Professional Executives of the Public Service of Canada, today expressed his pleasure at recent statements by the Hon. Reg Alcock recognizing the valuable work and ethical and honourable behaviours of federal executives across Canada. These comments were a welcome response to recent statements on executive compensation by MP John Williams, chair of the Public Accounts Committee. Notwithstanding the information Mr. Williams has received about executive compensation and the performance management program, both from APEX and the responsible government agency responsible for executive compensation, Mr. Williams continues to mislead Canadians by describing the performance pay earned by Public Service executives as “bonuses”, and to launch an undeserved attacks on the integrity and hard work of public service executives.

As explained to Mr. Williams, entry level executives are the only group of executives whose compensation is pegged to equivalent jobs in the external market. According to every independent study commissioned by the Treasury Board of Canada, higher level executives positions are paid substantially less than equivalent positions in the private sector and deserve to be paid more. Despite this, 7% of executives’ pay is held back until the end of the year. This portion of their salaries is deemed at risk. In order to receive the full value of their salaries, executives must therefore demonstrate that they have met all their objectives. Those who do not achieve all their objectives therefore receive less than the full value of the salaries they are entitled to and those who surpass their objectives, 37% in 2003, are eligible for small bonuses: from 0.5% to 3% or 5%, depending on their levels. “Mr. Williams is well aware of these facts indicated Mr Emond and this is why APEX considers the information on his web page to be a serious misrepresentation of the actual situation in the Public Service”.

This misrepresentation of facts by Mr. Williams has led directly to statements by MPs Guy Lauzon (Stormont-Dundas & South Glengarry) and Pat Martin (Winnipeg Centre-Manitoba). Mr. Lauzon states that 91% of executives received “bonuses”; in fact the number was only 37%. He implies that \$32 million plus was given in “bonuses”; in fact the amount was only \$3.2 million. He implies that there are ethical scandals across government when in fact these have been few in number and limited in scope. As a matter of fact, most Canadians feel well served by their Public Service. APEX believes Mr. Lauzon’s statements to be gratuitous, inflammatory and misleading.

“As for Mr. (Pat) Martin’s comments that a Public Service executive only needs to have a pulse and to turn up to get a bonus, had he taken the time to inform himself about how the performance program works, he would have realized that Mr. Williams’ representation of the program was erroneous and would not have made demeaning comments about the men and women of the Public Service” said Mr. Emond.

APEX believes that executives in particular, and public servants in general, deserve apologies from all three men, and ask them to immediately retract their statements.

- 30 -

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