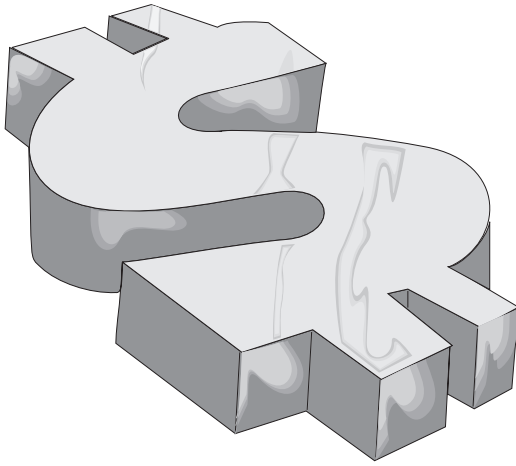




BC's TOP 40

A Survey of the Province's Largest Publicly-Traded Corporations









Who are British Columbia's largest corporations?

How much do they make?

What do their CEOs earn?

How many jobs do they create?

Highlights

-  The top 40 corporations studied earned combined revenues of \$42.2 billion in 1997, an increase of about \$4.5 billion, or 12 per cent, from the previous year.
-  While after-tax profits were down 90 per cent from 1996—from \$1.4 billion to \$133 million — not all sectors of the economy suffered. Most of the losses occurred in the resource sector, hurt by falling commodity prices and the Asian economic turmoil. Average profits outside of the forestry and mining industries, however, rose by 40 per cent in 1997.
-  Total employment among the top 40 fell by 8,123 or 6.6 per cent from 1996 to 1997. However, total employment throughout the province increased by 1.8 per cent over the same period. The top 40 corporations, therefore, were not a source of job growth last year.
-  On average, CEOs with the top 40 corporations received an increase in total cash compensation of 11.5 per cent in 1997. By contrast, average weekly earnings in the province were up just over 1 per cent.
-  The CEOs included in the top 40 earn on average about 13 times more than their employees.
-  Based upon the data, there is no discernible relationship between CEO compensation and the financial performance of a corporation in the top 40.

Top 40 Review	1996	1997	% Change
Revenues (\$billions)	37.7	42.2	+11.9
Profits (\$millions)	1,413.0	133	-90.6
Average Profits (\$millions)	36.2	3.8	-89.5
Average Profits, excluding forestry & mining (\$millions)	38.5	53.9	+40.0
Employment	123,490	115,367	-6.6

BC's TOP 40

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The following table lists 40 of the largest publicly-traded corporations with head offices located in British Columbia. The companies are ranked according to revenues (excluding interest but including investment income). CEO compensation packages are listed and compared with the average industrial earnings in each industry group, giving a figure that expresses CEO compensation as a multiple of the average salary of an employee in that industry group. Notes on individual companies and statistics are on the back page.

Rank (a)	Company Name	Industry (b)	Chief Executive Officer (CEO)	Notes	Corporate Financial Information							
					Revenues (\$Million)			% Change 95 to 97 (c)	Profits (\$Million) (d)			% Change 95 to 97
					1995	1996	1997		1995	1996	1997	
1	Westcoast Energy	utilities	M.E.J Phelps		\$4,184	\$4,875	\$7,312	75%	\$194.0	\$212.0	\$238.0	23%
2	MacMillan Bloedel	forest products	R.B. Findlay/W.T. Stephens	1	\$5,254	\$5,043	\$4,521	-14%	\$280.0	\$51.0	(\$368.0)	-231%
3	BC Telecom Inc.	telecomm	B.A. Canfield/D.A. Calder	2, 4	\$2,325	\$2,517	\$2,755	19%	\$243.8	\$237.9	\$287.0	18%
4	Finning International	wholesale	James F. Shepard		\$1,752	\$1,875	\$2,327	33%	\$77.5	\$88.2	\$103.7	34%
5	West Fraser Timber	forest products	Henry H. Ketcham III	3	\$1,492	\$1,642	\$1,870	25%	\$95.8	\$92.3	\$69.5	-27%
6	Canfor	forest products	A.S. Nielszen	5	\$1,932	\$1,791	\$1,841	-5%	\$45.6	(\$56.9)	(\$32.9)	-172%
7	Methanex	chemicals	P. Choquette	4	\$1,711	\$1,296	\$1,799	5%	\$263.0	(\$11.0)	\$279.7	6%
8	Future Shop	retail	Mohammad Ziabakhsh	11	\$1,523	\$1,538	\$1,760	16%	\$17.2	\$5.0	\$3.9	-77%
9	Placer Dome	mining	J. M. Willson		\$1,412	\$1,578	\$1,674	19%	\$102.1	\$89.7	(\$344.3)	-437%
10	Cominco	mining	David A. Thompson		\$1,533	\$1,725	\$1,653	8%	\$104.0	\$152.0	(\$74.3)	-171%
11	Loewen Group	services	Raymond L. Loewen	6	\$826	\$1,254	\$1,543	87%	(\$105.8)	\$88.2	\$59.2	n/a
12	Fletcher Challenge	forest products	D.W.G. Whitehead		\$2,154	\$2,363	\$1,350	-37%	\$120.1	\$154.4	\$119.5	0%
13	Western Star	motor vehicles	Terrence E. Peabody	7	\$726	\$783	\$1,236	70%	\$41.6	\$36.5	\$34.0	-18%
14	Wajax	wholesale	J. A. Powell	3, 5	\$521	\$675	\$947	82%	\$12.0	\$17.0	\$21.0	75%
15	Slocan Forest Products	forest products	I.K. Barber	3	\$862	\$796	\$944	10%	\$50.8	\$17.6	\$2.1	-96%
16	BC Gas Inc.	utilities	John M. Reid		\$895	\$901	\$934	4%	\$47.5	\$105.6	\$50.8	7%
17	Interfor	forest products	W.L. Sauder/R.M. Sitter	8	\$930	\$775	\$757	-19%	\$19.9	(\$27.2)	\$0.4	-98%
18	Doman Industries	forest products	H.S. Doman		\$818	\$680	\$737	-10%	\$53.2	(\$49.1)	(\$2.3)	-104%
19	Teck	mining	N. B. Keevil		\$699	\$702	\$688	-2%	\$89.6	\$254.8	(\$175.6)	-296%
20	Taiga Forest Products	wholesale	Patrick E. Hamill	4, 11	\$383	\$612	\$668	74%	\$2.3	\$5.9	\$4.5	96%
21	Intrawest Corp	real estate	J.S. Houssain	12	\$278	\$385	\$657	136%	\$17.6	\$27.1	\$56.6	222%
22	WIC	broadcasting	J.S. Lacey	5	\$442	\$460	\$485	10%	\$14.1	\$8.3	\$10.0	-29%
23	Riverside Forest Products	forest products	Gordon W. Steele		\$377	\$368	\$415	10%	\$21.2	(\$3.6)	(\$2.5)	-112%
24	Fletcher's Fine Foods	food mfg	Fred Knoedler	4	\$270	\$301	\$391	45%	\$3.6	\$0.6	\$6.1	69%
25	Acetex	chemicals	Brooke N. Wade	9	\$421	\$373	\$367	-13%	\$39.1	(\$18.4)	(\$12.0)	-131%
26	Trimin Enterprises	holding co	James D. Meekison		\$217	\$261	\$357	65%	\$6.2	\$7.1	\$14.0	128%
27	Mohawk	retail	W.J.A. Duncan	4	\$340	\$354	\$339	0%	\$5.7	\$2.6	\$0.5	-92%
28	Crestbrook	forest products	M. Inoue	4	\$538	\$390	\$315	-41%	\$20.2	(\$36.8)	(\$60.0)	-397%
29	Ainsworth Lumber	forest products	B.E. Ainsworth		\$258	\$300	\$308	19%	\$14.6	(\$6.4)	(\$28.3)	-293%
30	Harmac Pacific	forest products	Eric Lauritzen		\$361	\$212	\$226	-37%	\$45.1	(\$20.4)	(\$11.5)	-125%
31	Prime Resources	mining	Ronald D. Parker	13	\$156	\$199	\$207	33%	\$86.5	\$42.1	\$30.7	-65%
32	Primex Forest Products	forest products	G.L. Malpass		\$160	\$171	\$156	-3%	\$3.5	\$3.5	\$1.5	-56%
33	Bentall	real estate	Mark A. Shuparski		n/a	\$70	\$104	n/a	n/a	n/a	\$18.4	n/a
34	Versacold	services	Lionel G. Dodd	3	\$105	\$100	\$103	-1%	\$6.6	\$1.6	\$4.5	-31%
35	Eldorado Gold	mining	Richard J. H. Barclay		\$12	\$41	\$93	700%	(\$2.2)	(\$1.6)	(\$153.9)	n/a
36	Viceroy Resources	mining	Ronald K. Netolitzky	5	\$61	\$49	\$90	47%	\$2.8	(\$52.3)	(\$5.5)	-298%
37	Spectra Restaurants	services	Peter J. Bonner	10	\$65	\$82	\$82	27%	\$2.2	(\$15.8)	\$1.6	-27%
38	Canlan Investment	real estate	John B. Ross	3	\$43	\$54	\$79	83%	\$2.5	\$1.8	(\$9.9)	-498%
39	Wall Financial	real estate	Peter Wall		\$55	\$65	\$73	32%	\$6.8	\$7.5	\$18.6	175%
40	MDSI Mobile Data	info. technology	Erik Dysthe		\$9	\$45	\$70	655%	(\$0.8)	\$1.9	(\$3.5)	n/a

Total:	\$36,099	\$37,701	\$42,235	17%	\$2,049.4	\$1,412.6	\$133.1	-94%
Average:	\$926	\$943	\$1,056	n/a	\$52.5	\$36.2	\$3.8	n/a

BC's TOP 40

A Survey of BC's Largest Publicly-Traded Corporations

Rank (a)	Company Name	Industry (b)	Chief Executive Officer (CEO)	Notes	CEO Compensation Information					
					Annual Salary			Annual Bonus (e)		
					1995	1996	1997	1995	1996	1997
1	Westcoast Energy	utilities	M.E.J Phelps		\$598,860	\$627,000	\$627,054	\$270,000	\$0	\$375,000
2	MacMillan Bloedel	forest products	R.B. Findlay/W.T. Stephens	1	\$450,000	\$550,000	\$830,492	\$350,000	\$0	\$247,888
3	BC Telecom Inc.	telecomm	B.A. Canfield/D.A. Calder	2, 4	\$450,000	\$510,000	\$638,000	\$232,092	\$612,000	\$648,273
4	Finning International	wholesale	James F. Shepard		\$360,000	\$400,000	\$500,000	\$216,000	\$200,000	\$250,800
5	West Fraser Timber	forest products	Henry H. Ketcham III	3	\$325,404	\$349,750	\$425,000	\$90,743	\$120,000	\$157,500
6	Canfor	forest products	A.S. Nielssen	5	\$341,154	\$412,296	\$500,000	\$132,500	\$0	\$0
7	Methanex	chemicals	P. Choquette	4	\$446,038	\$490,038	\$529,076	\$320,000	\$260,000	\$594,000
8	Future Shop	retail	Mohammad Ziabakhsh	11	\$400,000	\$400,000	\$400,000	\$549,055	\$375,000	\$0
9	Placer Dome	mining	J. M. Willson		\$675,000	\$700,000	\$750,000	\$125,000	\$120,000	\$120,000
10	Cominco	mining	David A. Thompson		\$650,600	\$740,600	\$765,600	\$166,200	\$204,700	\$183,600
11	Loewen Group	services	Raymond L. Loewen	6	\$546,538	\$1	\$1	\$0	\$0	\$0
12	Fletcher Challenge	forest products	D.W.G. Whitehead		\$315,000	\$365,000	\$365,000	\$128,820	\$94,718	\$44,932
13	Western Star	motor vehicles	Terrence E. Peabody	7	\$0	\$0	\$0	\$0	\$0	\$0
14	Wajax	wholesale	J. A. Powell	3, 5	\$260,000	\$300,000	\$343,000	\$186,680	\$240,000	\$0
15	Slocan Forest Products	forest products	I.K. Barber	3	\$357,008	\$403,333	\$421,050	\$165,000	\$225,000	\$0
16	BC Gas Inc.	utilities	John M. Reid		\$125,000	\$200,000	\$215,917	\$45,000	\$115,000	\$64,500
17	Interfor	forest products	W.L. Sauder/R.M. Sitter	8	\$350,000	\$350,000	\$400,000	\$149,655	\$0	\$0
18	Doman Industries	forest products	H.S. Doman		\$425,000	\$431,382	\$437,760	\$150,000	\$150,000	\$150,000
19	Teck	mining	N. B. Keevil		\$794,350	\$830,600	\$870,600	\$0	\$1,750,000	\$0
20	Taiga Forest Products	wholesale	Patrick E. Hamill	4, 11	\$131,250	\$135,000	\$150,000	\$0	\$115,992	\$100,500
21	Intrawest Corp	real estate	J.S. Houssain	12	\$416,000	\$416,000	\$441,460	\$166,400	\$225,000	\$440,000
22	WIC	broadcasting	J.S. Lacey	5	n/a	n/a	\$500,000	n/a	n/a	\$276,000
23	Riverside Forest Products	forest products	Gordon W. Steele		\$215,312	\$221,300	\$225,945	\$115,000	\$0	\$0
24	Fletcher's Fine Foods	food mfg	Fred Knoedler	4	\$140,000	\$153,095	\$150,020	\$49,000	\$55,000	\$45,000
25	Acetex	chemicals	Brooke N. Wade	9	\$343,000	\$341,000	\$346,250	\$0	\$0	\$0
26	Trimin Enterprises	holding co	James D. Meekison		\$397,783	\$411,508	\$434,869	\$238,845	\$360,000	\$445,000
27	Mohawk	retail	W.J.A. Duncan	4	\$220,500	\$220,000	\$222,000	\$420	\$2,769	\$2,820
28	Crestbrook	forest products	M. Inoue	4	\$260,840	\$280,958	\$284,148	\$109,416	\$63,773	\$0
29	Ainsworth Lumber	forest products	B.E. Ainsworth		\$175,000	\$175,000	\$175,000	\$75,000	\$0	\$0
30	Harmac Pacific	forest products	Eric Lauritzen		\$250,000	\$260,000	\$280,000	\$196,750	\$20,000	\$40,000
31	Prime Resources	mining	Ronald D. Parker	13	\$128,474	\$124,873	\$139,700	\$122,606	\$134,970	\$131,900
32	Primex Forest Products	forest products	G.L. Malpass		\$171,265	\$176,065	\$180,470	\$61,050	\$26,966	\$55,055
33	Bentall	real estate	Mark A. Shuparski		n/a	\$288,000	\$330,000	n/a	\$275,000	\$130,000
34	Versacold	services	Lionel G. Dodd	3	\$225,000	\$251,210	\$265,630	\$0	\$75,000	\$0
35	Eldorado Gold	mining	Richard J. H. Barclay		\$150,000	\$237,500	\$328,675	\$0	\$0	\$0
36	Viceroy Resources	mining	Ronald K. Netolitzky	5	n/a	\$213,108	\$250,000	n/a	\$0	\$0
37	Spectra Restaurants	services	Peter J. Bonner	10	\$200,000	\$200,000	\$200,000	\$0	\$0	\$60,000
38	Canlan Investment	real estate	John B. Ross	3	\$159,000	\$168,000	\$143,920	\$75,000	\$0	\$0
39	Wall Financial	real estate	Peter Wall		\$625,000	\$458,000	\$0	\$0	\$0	\$1,439,645
40	MDSI Mobile Data	info. technology	Erik Dysthe		\$103,276	\$114,036	\$115,008	\$10,000	\$0	\$4,370

Total:	
Average:	

BC's TOP 40

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Rank (a)	Company Name	Industry (b)	Chief Executive Officer (CEO)	Notes	Total Employment			% Change 95 to 97
					1995	1996	1997	
1	Westcoast Energy	utilities	M.E.J Phelps		6,380	5,991	5,932	-7%
2	MacMillan Bloedel	forest products	R.B. Findlay/W.T. Stephens	1	13,480	13,469	10,592	-21%
3	BC Telecom Inc.	telecomm	B.A. Canfield/D.A. Calder	2, 4	13,851	12,356	12,246	-12%
4	Finning International	wholesale	James F. Shepard		4,087	4,242	5,494	34%
5	West Fraser Timber	forest products	Henry H. Ketcham III	3	5,099	5,425	6,500	27%
6	Canfor	forest products	A.S. Nielssen	5	5,075	5,029	4,950	-2%
7	Methanex	chemicals	P. Choquette	4	876	881	841	-4%
8	Future Shop	retail	Mohammad Ziabakhsh	11	3,900	5,100	n/a	n/a
9	Placer Dome	mining	J. M. Willson		8,000	8,300	8,400	5%
10	Cominco	mining	David A. Thompson		2,743	5,822	5,766	110%
11	Loewen Group	services	Raymond L. Loewen	6	10,000	16,000	16,000	60%
12	Fletcher Challenge	forest products	D.W.G. Whitehead		6,009	5,932	3,839	-36%
13	Western Star	motor vehicles	Terrence E. Peabody	7	1,742	3,329	3,040	75%
14	Wajax	wholesale	J. A. Powell	3, 5	1,621	1,975	2,341	44%
15	Slocan Forest Products	forest products	I.K. Barber	3	2,900	2,900	2,500	-14%
16	BC Gas Inc.	utilities	John M. Reid		1,789	1,804	1,979	11%
17	Interfor	forest products	W.L. Sauder/R.M. Sitter	8	3,500	4,000	3,200	-9%
18	Doman Industries	forest products	H.S. Doman		2,050	2,050	3,000	46%
19	Teck	mining	N. B. Keevil		3,259	3,343	3,154	-3%
20	Taiga Forest Products	wholesale	Patrick E. Hamill	4, 11	249	300	n/a	n/a
21	Intrawest Corp	real estate	J.S. Houssain	12	n/a	n/a	n/a	n/a
22	WIC	broadcasting	J.S. Lacey	5	2,050	2,110	2,200	7%
23	Riverside Forest Products	forest products	Gordon W. Steele		1,545	1,706	2,037	32%
24	Fletcher's Fine Foods	food mfg	Fred Knoedler	4	1,000	1,000	1,400	40%
25	Acetex	chemicals	Brooke N. Wade	9	550	550	565	3%
26	Trimin Enterprises	holding co	James D. Meekison		6	6	6	0%
27	Mohawk	retail	W.J.A. Duncan	4	275	268	270	-2%
28	Crestbrook	forest products	M. Inoue	4	1,353	1,100	1,102	-19%
29	Ainsworth Lumber	forest products	B.E. Ainsworth		1,200	1,100	1,200	0%
30	Harmac Pacific	forest products	Eric Lauritzen		710	719	717	1%
31	Prime Resources	mining	Ronald D. Parker	13	n/a	n/a	n/a	n/a
32	Primex Forest Products	forest products	G.L. Malpass		472	476	436	-8%
33	Bentall	real estate	Mark A. Shuparski		n/a	n/a	600	n/a
34	Versacold	services	Lionel G. Dodd	3	650	600	650	0%
35	Eldorado Gold	mining	Richard J. H. Barclay		1,500	1,500	1,100	-27%
36	Viceroy Resources	mining	Ronald K. Netolitzky	5	158	191	180	14%
37	Spectra Restaurants	services	Peter J. Bonner	10	2,750	2,750	2,000	-27%
38	Canlan Investment	real estate	John B. Ross	3	400	524	430	8%
39	Wall Financial	real estate	Peter Wall		350	427	300	-14%
40	MDSI Mobile Data	info. technology	Erik Dysthe		107	215	400	274%

Total:	111,686	123,490	115,367	3%
Average:	3,019	3,338	3,205	n/a

BC's TOP 40

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Rank (a)	Company Name	Industry (b)	Chief Executive Officer (CEO)	Notes	Profits per Employee 1997	Average Employee Earnings (f)	CEO Total Cash 1997 (g)	Change in Total CEO Cash 96 to 97	1997 CEO to Employee Pay Ratio
1	Westcoast Energy	utilities	M.E.J Phelps		\$40,121	\$39,200	\$1,002,054	59.8%	26:1
2	MacMillan Bloedel	forest products	R.B. Findlay/W.T. Stephens	1	(\$34,743)	\$38,400	\$1,078,380	96.1%	28:1
3	BC Telecom Inc.	telecomm	B.A. Canfield/D.A. Calder	2, 4	\$23,436	\$39,200	\$1,286,273	14.6%	33:1
4	Finning International	wholesale	James F. Shepard		\$18,874	\$26,300	\$750,800	25.1%	29:1
5	West Fraser Timber	forest products	Henry H. Ketcham III	3	\$10,689	\$38,400	\$582,500	24.0%	15:1
6	Canfor	forest products	A.S. Nielssen	5	(\$6,642)	\$38,400	\$500,000	21.3%	13:1
7	Methanex	chemicals	P. Choquette	4	\$332,548	\$35,400	\$1,123,076	49.7%	32:1
8	Future Shop	retail	Mohammad Ziabakhsh	11	n/a	\$26,300	\$400,000	-48.4%	15:1
9	Placer Dome	mining	J. M. Willson		(\$40,988)	\$55,000	\$870,000	6.1%	16:1
10	Cominco	mining	David A. Thompson		(\$12,889)	\$55,000	\$949,200	0.4%	17:1
11	Loewen Group	services	Raymond L. Loewen	6	\$3,698	\$26,300	\$1	n/a	n/a
12	Fletcher Challenge	forest products	D.W.G. Whitehead		\$31,128	\$38,400	\$409,932	-10.8%	11:1
13	Western Star	motor vehicles	Terrence E. Peabody	7	\$11,181	\$40,600	\$0	n/a	n/a
14	Wajax	wholesale	J. A. Powell	3, 5	\$8,982	\$26,300	\$343,000	-36.5%	13:1
15	Slocan Forest Products	forest products	I.K. Barber	3	\$844	\$38,400	\$421,050	-33.0%	11:1
16	BC Gas Inc.	utilities	John M. Reid		\$25,670	\$39,200	\$280,417	-11.0%	7:1
17	Interfor	forest products	W.L. Sauder/R.M. Sitter	8	\$134	\$38,400	\$400,000	14.3%	10:1
18	Doman Industries	forest products	H.S. Doman		(\$772)	\$38,400	\$587,760	1.1%	15:1
19	Teck	mining	N. B. Keevil		(\$55,679)	\$55,000	\$870,600	-66.3%	16:1
20	Taiga Forest Products	wholesale	Patrick E. Hamill	4, 11	n/a	\$26,300	\$250,500	-0.2%	10:1
21	Intrawest Corp	real estate	J.S. Houssain	12	n/a	\$38,600	\$881,460	37.5%	23:1
22	WIC	broadcasting	J.S. Lacey	5	\$4,567	\$39,200	\$776,000	n/a	20:1
23	Riverside Forest Products	forest products	Gordon W. Steele		(\$1,243)	\$38,400	\$225,945	2.1%	6:1
24	Fletcher's Fine Foods	food mfg	Fred Knoedler	4	\$4,350	\$35,400	\$195,020	-6.3%	6:1
25	Acetex	chemicals	Brooke N. Wade	9	(\$21,216)	\$35,400	\$346,250	1.5%	10:1
26	Trimin Enterprises	holding co	James D. Meekison		n/a	n/a	\$879,869	14.0%	n/a
27	Mohawk	retail	W.J.A. Duncan	4	\$1,681	\$26,300	\$224,820	0.9%	9:1
28	Crestbrook	forest products	M. Inoue	4	(\$54,429)	\$38,400	\$284,148	-17.6%	7:1
29	Ainsworth Lumber	forest products	B.E. Ainsworth		(\$23,561)	\$38,400	\$175,000	0.0%	5:1
30	Harmac Pacific	forest products	Eric Lauritzen		(\$16,039)	\$38,400	\$320,000	14.3%	8:1
31	Prime Resources	mining	Ronald D. Parker	13	n/a	\$55,000	\$271,600	4.5%	5:1
32	Primex Forest Products	forest products	G.L. Malpass		\$3,530	\$38,400	\$235,525	16.0%	6:1
33	Bentall	real estate	Mark A. Shuparski		\$30,688	\$38,600	\$460,000	-18.3%	12:1
34	Versacold	services	Lionel G. Dodd	3	\$6,997	\$26,300	\$265,630	-18.6%	10:1
35	Eldorado Gold	mining	Richard J. H. Barclay		(\$139,881)	\$55,000	\$328,675	38.4%	6:1
36	Viceroy Resources	mining	Ronald K. Netolitzky	5	(\$30,317)	\$55,000	\$250,000	17.3%	5:1
37	Spectra Restaurants	services	Peter J. Bonner	10	\$800	\$26,300	\$260,000	30.0%	10:1
38	Canlan Investment	real estate	John B. Ross	3	(\$23,123)	\$38,600	\$143,920	-14.3%	4:1
39	Wall Financial	real estate	Peter Wall		\$62,150	\$38,600	\$1,439,645	214.3%	37:1
40	MDSI Mobile Data	info. technology	Erik Dysthe		(\$8,675)	\$39,200	\$119,378	4.7%	3:1

Total:	n/a	n/a	\$20,188,428	n/a	n/a
Average:	4,339	38,421	504,711	11.5%	13:1

Executive Compensation: Are CEOs worth what they're paid?

Just how much do the chief executive officers of BC's biggest corporations make? In 1996 N.B. Keevil, CEO of the mining corporation Teck, led the pack with \$2,580,000 in salary and bonuses. That was about 48 times more than the average salary of a miner in British Columbia. In 1997, Peter Wall of Wall Financial was the highest paid CEO among the top 40 with a total compensation package of more than \$1.4 million.

Are CEO's worth what they're paid? Do corporations get good value for what they pay for? Surprisingly, for the companies in this sample, there is no relationship between CEO compensation in 1997 and corporate performance in the previous year. A statistical linear regression of CEO compensation in 1997 on the previous year's profits reveals the relationship between profits and compensation is statistically insignificant.

Many of the top 40 corporations studied actually increased the compensation of their CEO even when the company posted poorer financial results in the previous year. Twelve corporations paid their CEOs a bonus in 1997 even though the company's profits declined from the previous year.

Notes on Individual Companies

n/a Not applicable for various reasons.

- 1 R.B. Findlay was succeeded by W.T. Stephens on September 29, 1997. Compensation amounts reflect the combined pay for both executives in 1997. In 1997 Mr. Findlay was paid \$505,464 in Total Cash Compensation for three months of work, an annual equivalent of over \$2 million.
- 2 BC Telecom is actually a subsidiary, 52% owned by Anglo-Canadian Telephone, which in turn is 100% owned by US-based GTE.
- 3 Bonus awards are reported for the year in which they were paid. Amounts were earned the previous year.
- 4 Bonus awards are reported for the year in which they were earned. Amounts were paid the following year.
- 5 Due to incomplete years of employment, compensation figures are annualized for A.S. Nielssen (Canfor), J.A. Powell (Wajax), J.S. Lacey (WIC), and R.N. Netilutzky (Viceroy)
- 6 Mr. Loewen received 600,000 options in 1997 and 200,747 options in 1996, in both cases in lieu of salary.
- 7 Terrence E. Peabody was granted 500,000 options in 1997, but was paid no annual compensation between 1995 and 1997.
- 8 W.L. Sauder was succeeded by R.M. Sitter on May 1, 1997. Compensation amounts for 1997 reflect combined pay for both executives.
- 9 Converted from US dollars.
- 10 Spectra's top-paid executive from 1995-1997 was President Peter J. Bonner, although Chairman Wayne F. Holm received similar compensation amounts in some years.
- 11 Financial year-end of March 31, 1998 was defined as a 1997 fiscal year. Financial data was adjusted accordingly.
- 12 Intrawest 1997 financial data is based on annualized information reported for the 9 months ended March 31, 1997
- 13 Prime Resources is a subsidiary of Homestake Canada Inc. Number of employees are not applicable, as staff are contracted to Homestake.

Notes on Statistics

- a Ranking is based on 1997 revenues. Two companies were excluded from the sample: Ritchie Brothers Auctioneers, which was reorganized in 1997, and; Westmin Resources, for which executive compensation information was not readily available.
- b Industry categories are based on Statistics Canada sectors, which in some cases are an amalgamation of several industrial sectors.
- c Totals for Percentage Change figures reflect percentage change in total amounts, not the average of company percentage increases.
- d Profits are based on Net Income figures. Profit and Revenues figures are based on data collected in *The Financial Post 500*, 1996, 1997, and 1998.
- e Annual Bonus includes annual, short-term bonus awards. Annual bonus excludes long-term incentives and stock options. Executive compensation information was obtained from proxy circulars available on the SEDAR internet site (<http://www.sedar.com>).
- f Average Employee Earnings reflect the 1997 Average Annual Earnings for the industrial sector, as reported by Statistics Canada, *Employment, Earnings and Hours (1997)*, catalogue no. 72-002-XPB and from the *Canadian Economic Observer*.
- g CEO Total Cash equals Salary plus Bonus in the same fiscal year

BC's Top 40 was compiled by
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