

Via Email: rule-comments@sec.gov

December 2, 2013

Ms. Elizabeth M. Murphy, Secretary,
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File Number S7-07-13 - Comments on amendments to Item 402 of Regulation S-K to require Pay Ratio Disclosure

Dear Ms. Murphy,

This letter is provided by British Columbia Investment Management Corporation (bcIMC) in response to the U.S. Securities & Exchange Commission's proposal requiring disclosure of the CEO-to-worker pay ratio as mandated by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

bcIMC is among Canada's leading institutional investors, with responsibility for managing approximately \$100 billion in global assets on behalf of more than 500,000 pension beneficiaries in our province. Our assets under management included over \$15.9 billion invested in the shares of U.S. public companies representing over 30% of bcIMC's total international equity portfolio. In 2013, we have already voted proxies at 974 U.S. companies covering over 4,000 issues. Over one-third of these issues relate to executive compensation matters so it is an issue that we spend a great deal of time considering.

As a large, diversified investor, an important element of our investment activities involves actively promoting high corporate governance standards. We believe that good governance is fundamental for building confidence in the capital markets and helping to generate sustainable, long-term value in the companies in our portfolio. Part of sound corporate governance is designing compensation programs that reward strong company performance and do not encourage excessive risk-taking at the expense of shareholders.

bcIMC has examined the proposed amendments in detail with an eye towards how we would use this information going forward if it were disclosed. It is our overall opinion that it would be difficult for us to use this information in a systematic way due to the underlying methodological issues that are going to drive the end result. Our fear is that in order to make use of the ratio it will be necessary to fully understand the methodology behind the ratio for each and every company.

One of the most valuable pieces of analysis for us as investors is the ability to compare and contrast pay practices across a relevant peer group. However, this ratio as proposed is not going to allow us to do this comparison as it will be heavily influenced by the nature of the employee base outside the U.S. The ratio would be more meaningful if it were only to include the median total compensation of U.S. employees compared to the total compensation of the CEO. This is a much more direct comparison that does not introduce variables such as currency, cost of living, multiple payroll systems, cross-border compliance issues, etc.

We certainly appreciate the SEC's attempt to be flexible in not being too prescriptive as we also share concerns about the costs involved for companies we invest in. However, it is our view that this flexibility actually decreases the utility of the ratio for investors as different methodologies will be used with varying results.

Therefore, the pay ratio alone is of limited value unless accompanied by additional disclosure that explains why the ratio is what it is and how that ratio fits with the company's compensation philosophy and principles. It is this contextual information along with the evidence of a pay for performance alignment that bcIMC places great emphasis on.

bcIMC appreciates your willingness to consider these comments as you proceed with the rule-making process.

Should you have any questions, please feel free to contact me.

Sincerely,



Doug Pearce
Chief Executive Officer/Chief Investment Officer