

Corporations Act, the Not-for-Profit Corporations Act (which will be replacing the Corporations Act at a future date), the Co-operative Corporations Act and the Business Corporations Act.

Peel's Policy In Peel, under the *Housing Services Act, 2011* (HSA), remuneration of directors will continue to not be permitted **unless**, due to exceptional circumstances, a housing provider requests and receives pre-approval from the Service Manager for remuneration of directors.

Exceptional Circumstances

If a Board of Directors is having ongoing difficulty attracting and/or maintaining board members the Board can request pre-approval from the Service Manager to remunerate Directors.

A Board's request for pre-approval from the Service Manager must identify that its efforts to date to attract/maintain board members have not been successful.

The Service Manager will assess the request and may, on a case by case basis, approve remuneration of directors for a specific period of time and for a specific and reasonable amount.

Policy Rationale

Peel's policy...

- Balances maintaining the volunteer philosophy that housing provider Board of Directors were founded in with offering flexibility when extenuating circumstances exist (e.g. ongoing Board retention issues). This flexibility however is subject to the Service Manager's pre-approval which helps create a check and balance for the decision and reduces the risk of backlash or conflict of interest that may result from board members determining their own remuneration.
- Consistent with feedback received from housing providers and stakeholders during consultations for Peel's local rules:
 - Remuneration of directors should not be permitted because
 - it doesn't support the "volunteer" philosophy
 - can create potential conflict of interest for Board members if determining what remuneration should be
 - may attract board members for the wrong reasons
 - puts pressure on boards that cannot afford to remunerate
 - It may be a mechanism to attract and maintain board members in certain extraordinary circumstances where retention is an ongoing and serious issue.

- Acknowledges that other legislation permits remuneration of directors (e.g. *Corporations Act*), but that generally industry professionals do not recommend remuneration.
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Legislation [Housing Services Act, 2011](#), s. 75(2)
[O. Reg. 367/11](#) s.100

Additional Resources [Ontario Non-Profit Housing Association](#)
[Co-operative Housing Federation of Canada](#)
[Corporations Act/Not for Profit Corporations Act](#)
[Co-operative Corporations Act](#)
[Business Corporations Act](#)

Questions If you have questions about this document please contact your
Housing Programs Specialist at the Region of Peel.
