



Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

ANNUAL REPORT

Conflict of Interest Act

20²¹₂₂

Mario Dion
Conflict of Interest and
Ethics Commissioner

Conflict of Interest and Ethics Commissioner – Annual Report 2021-2022, in respect of the
CONFLICT OF INTEREST ACT

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Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

June 2022

The Honourable George Furey, Q.C.
Speaker of the Senate
Senate of Canada
2 Rideau Street, Room E64-A
Ottawa, Ontario K1A 0A4

Dear Mr. Speaker:

I am pleased to submit to you my report on the performance of my duties and functions under the *Conflict of Interest Act* in relation to public office holders for the fiscal year ending March 31, 2022, for tabling in the Senate.

This fulfills my obligations under paragraph 90(1)(b) of the *Parliament of Canada Act*.

Sincerely,

Mario Dion
Conflict of Interest and Ethics Commissioner

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Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
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à l'éthique

June 2022

The Honourable Anthony Rota, P.C., M.P.
Speaker of the House of Commons
House of Commons
West Block, Room 233-C
Ottawa, Ontario K1A 0A6

Dear Mr. Speaker:

I am pleased to submit to you my report on the performance of my duties and functions under the *Conflict of Interest Act* in relation to public office holders for the fiscal year ending March 31, 2022, for tabling in the House of Commons. The report is deemed permanently referred to the House of Commons Standing Committee on Access to Information, Privacy and Ethics, under Standing Order 108(3)(h)(v).

This fulfills my obligations under paragraph 90(1)(b) of the *Parliament of Canada Act*.

Sincerely,

Mario Dion
Conflict of Interest and Ethics Commissioner

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COMMISSIONER'S MESSAGE



I am pleased to report on the administration of the *Conflict of Interest Act* in 2021-2022.

Throughout the year, the Office helped public office holders achieve and maintain compliance with the Act, gave them confidential guidance tailored to their individual situations, and helped them understand their obligations. After the September 2021 election, we helped ministers, parliamentary secretaries and ministerial staff complete the initial compliance process under the Act.

Prevention is the major focus of the regimes the Office administers, and in the past year we strengthened education initiatives to help prevent conflicts of interest. The Office supports, advises and directs public office holders, and monitors their actions. However, it is up to all public office holders to take the time to learn about the conflict of interest rules and develop a reflex to act ethically.

In the area of enforcement, we reported on two examinations under the Act. One concerned the conduct of Prime Minister Justin Trudeau in relation to the selection of the WE organization as the administrator of the Canada Student Service Grant. The other concerned the conduct of former Finance Minister Bill Morneau regarding the same matter.

We were also busy in other key activity areas. The volume of compliance work with regulatees increased by over 40% compared to the previous year. The Office supported transparency by maintaining the public registry and publishing quarterly statistical reports on its activities. We educated and informed Canadians about the conflict of interest regimes and the Office's work. We further grew the Office's social media presence. We also continued to work with our Canadian and international counterparts.

I passed the mid-point of my seven-year term as Commissioner in 2021-2022. This was an opportune time to take stock of the processes and procedures that are in place to support the achievement of our mission. The Office has evolved into a mature organization, and I believe our approach to compliance assurance has proven effective and efficient.

I remain honoured to serve Parliament and Canadians and am grateful to the employees of the Office for helping me fulfill my mandate.

A handwritten signature in black ink that reads "Mario Dion". The signature is written in a cursive, flowing style.

Mario Dion
Conflict of Interest and Ethics Commissioner

OUR VISION

Offer exemplary services in support of a culture of integrity in order to achieve a high degree of public confidence in the integrity of federal institutions and Parliament.

OUR MISSION

Our Office provides independent, rigorous and consistent direction and advice to Members of Parliament and federal public office holders, conducts investigations and, where necessary, makes use of appropriate sanctions in order to ensure full compliance with the *Conflict of Interest Act* and the *Conflict of Interest Code for Members of the House of Commons*.

OUR STAKEHOLDERS

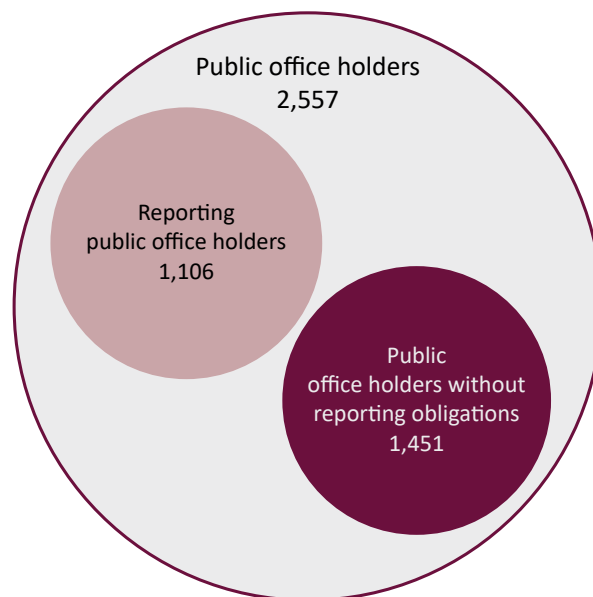
The Office’s stakeholders include regulatees—the individuals subject to the conflict of interest regimes it administers—as well as Parliament, academics, ethics practitioners and others with an interest in the field, the media and the general public.

This report touches on all stakeholder groups, but its focus is on the public office holders who are subject to the [Conflict of Interest Act](#). They are key stakeholders of the Office.

In support of stakeholder communications and engagement, a key focus area of the Office’s 2021-2024 strategic plan, the Office updated its list of stakeholders to allow for timely, proactive and fine-tuned messaging. As part of this project, it identified a new category of stakeholders dubbed “accelerators.” These are entities or groups that are not subject to the *Conflict of Interest Act* or the *Conflict of Interest Code for Members of the House of Commons* but play a role in educational activities for regulatees. Examples are secretariats for administrative tribunal boards and organizers of events linked to Governor-in-Council appointees. By engaging more actively with accelerators, the Office can better adapt its outreach and education activities to the needs of regulatees.

One of the Office’s strategic objectives is to increase trust in and credibility of the Office with key stakeholders so they become stronger allies in the delivery of its mandate and can effectively manage conflict of interest issues. An important purpose of the stakeholders list project was to assess regulatees’ individual needs to help improve education, outreach and service delivery. The Office also surveyed public office holders in January 2022 and will use the results to help optimize service delivery.

PUBLIC OFFICE HOLDERS

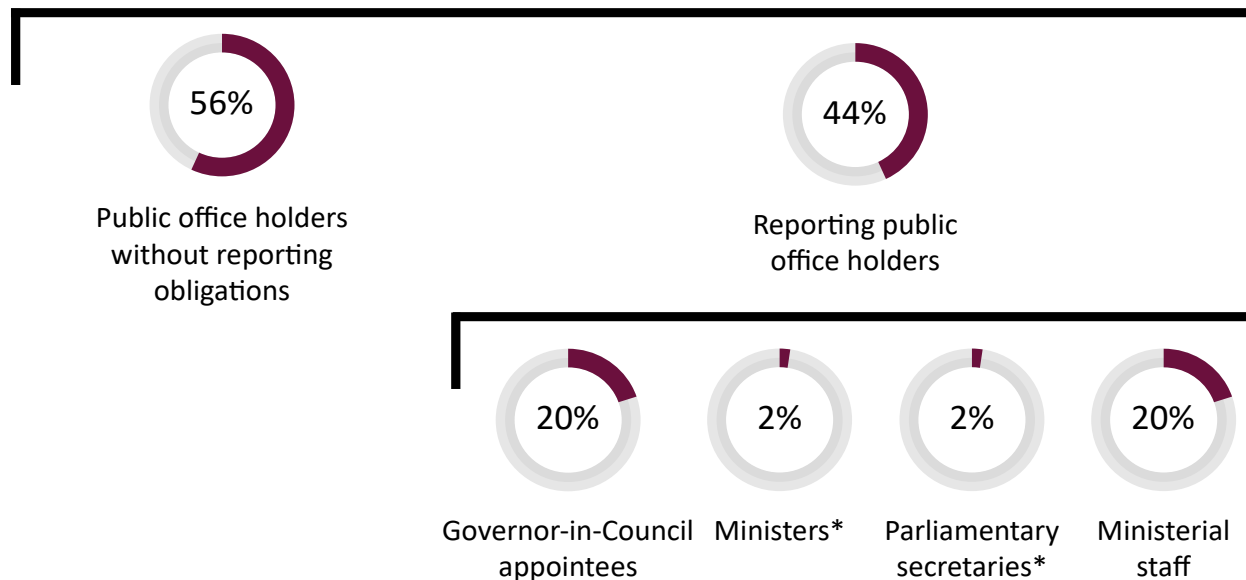


Individuals subject to the Act are collectively known as public office holders. They are all subject to its recusal requirement and core set of conflict of interest rules, as well as post-employment rules that apply indefinitely.

Just over half of these individuals (56%) are subject only to those general rules which prevent them from furthering private interests when they are exercising official powers, duties or functions. They are referred to as “public office holders without reporting obligations.” They include part-time members of federal boards, commissions and tribunals appointed by the Governor in Council and ministerial staff who work on average less than 15 hours a week.

The rest (44%) are also subject to additional rules set out in the Act. They must confidentially disclose certain information to the Office and publicly declare some information. They are not allowed to have a second job or to hold controlled assets—assets whose value could be directly or indirectly affected by government decisions or policy, such as publicly traded securities. They are also subject to a post-employment cooling-off period. These public office holders are referred to as “reporting public office holders” and include ministers and parliamentary secretaries, ministerial staff who work on average 15 hours or more a week and full-time Governor-in-Council appointees.

Snapshot of public office holders on March 31, 2022



*Also subject to *Conflict of Interest Code for Members of the House of Commons*

Turnover in 2021-2022	Appointed or reappointed	Left office
Reporting public office holders	465	449
Public office holders without reporting obligations	310	223

Compared to the previous fiscal year, 11% fewer individuals were subject to the Act at the end of 2021-2022. This is likely due to turnover within ministerial offices resulting from the September 2021 election.

The Office’s [quarterly statistical reports](#) provide an accurate reflection of the fluctuations that occurred throughout the year. Turnover among public office holders doubled compared to the year before the COVID-19 pandemic began. It had stabilized during the pandemic, until the September 2021 election, which prompted a lot of movement among ministerial staff. Turnover is a workload indicator for the Office, which supports public office holders in achieving and maintaining compliance with the Act both during and after their term of office. When a reporting public office holder is appointed or reappointed, the Office must guide them through the initial compliance process and advise them on meeting ongoing reporting requirements; when they leave office, it must help them understand their post-employment obligations. The Office must also post information in the public registry and update its internal records.

OUR ACHIEVEMENTS

Key activities

Reporting to Parliament	Reporting to Parliament and testifying before its committees
Compliance	Helping regulatees achieve and maintain compliance with the conflict of interest regimes
Direction and advice	Giving regulatees confidential guidance tailored to their individual situations
Education and outreach	Helping regulatees understand their obligations under the regimes
Enforcement	Applying investigation and other enforcement provisions of the regimes as appropriate
Public communications	Educating and informing regulatees, the media and the general public
Collaboration and best practices	Exchanging information with domestic and international counterparts

REPORTING TO PARLIAMENT

As an Officer of the House of Commons, the Conflict of Interest and Ethics Commissioner has a duty to report to Parliament, testify before parliamentary committees and respond to requests from Parliament. The Commissioner takes this duty very seriously and makes fulfilling it a top priority.

Reflecting the Commissioner's [independence](#), he reports on behalf of Canadians to Parliament directly, not through a minister. By June 30 each year, he submits an annual report on the administration of the *Conflict of Interest Act* to the Speakers of the House of Commons and Senate, who table it in their respective Chamber.

The Commissioner reports on examinations under the Act to the Prime Minister.

The Office sends communiqués to parliamentarians when reports are tabled or released. Seven communiqués were sent in 2021-2022.

The Commissioner also testifies before parliamentary committees about the Office and its work when invited to do so.

On May 28, 2021, the Commissioner [appeared](#) before the House of Commons Standing Committee on Access to Information, Privacy and Ethics to discuss the Office's submission for the 2021-2022 Main Estimates. The Committee has oversight responsibility for the Office and reviews its annual spending estimates, as well as matters related to the Commissioner's reports under the Act.

When parliamentary committees were reconstituted in the 44th Parliament, the Commissioner reached out to the Committee's new Chair to welcome him to the position and to offer to meet with him to share information about the Office and its work.

In March 2022, the Committee passed a motion to re-table in the House the June 2021 report on its study of *Questions of Conflict of Interest and Lobbying in Relation to Pandemic Spending*. The Commissioner had [testified](#) before the Committee in November 2020 in relation to the study. He has reviewed the report, which features a number of recommendations related to the *Conflict of Interest Act*, and is prepared to discuss them with the Committee should he be called upon to do so.

COMPLIANCE

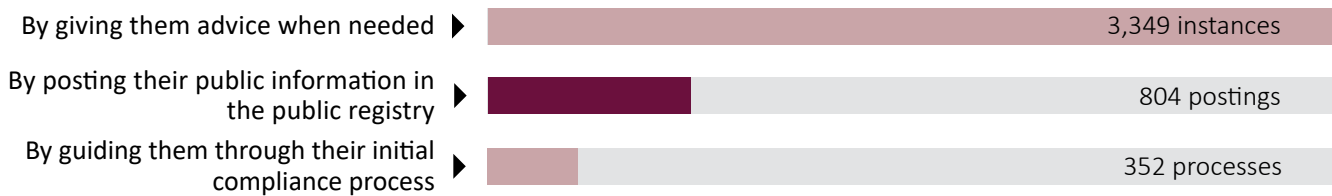
In support of its mission to ensure full compliance with the conflict of interest regimes it administers, the Office devotes most of its resources to helping regulatees achieve and maintain compliance with them.

The Office identified a preventative approach to compliance assurance as a key area of focus in its 2021-2024 strategic plan. It involves providing regulatees with proactive guidance, including direction on issues involving real or potential conflicts of interest. It includes offering annual training for ministers, parliamentary secretaries and public office holders in select high-risk positions to strengthen their ability to identify potential conflicts of interest. As part of this approach, the Office will also identify new tools to help detect potential compliance issues, at-risk activities and areas that could raise concerns.

Employees in the Advisory and Compliance division guide public office holders through the compliance processes under the *Conflict of Interest Act*. They give them confidential direction and advice, supported when necessary by legal opinions on individual files prepared by the Investigations and Legal Services division. To meet the Act's requirements in the area of transparency, they post public office holders' publicly declarable information in the [public registry](#).

The September 2021 election significantly affected the number of compliance processes the Office conducted in 2021-2022 to help reporting public office holders achieve and maintain compliance with the Act, as it led to a doubling of turnover among ministerial staff and Governor-in-Council appointees. To manage the additional workload and help reporting public office holders complete their initial compliance process within the 120-day deadline set out in the Act, the Office ensured staffing of critical advisory positions and streamlined some of its administrative procedures. It also consistently maintained the public registry in a timely manner in support of transparency and accountability.

How does the Office help public office holders comply with the Act?



The Office communicates frequently with reporting public office holders throughout their term of office and less often with those without reporting obligations. It aims to contact all public office holders within three days of being notified of their appointment or reappointment. In 2021-2022, this service standard was met in 95% of cases, surpassing the target of 80%. Over the last three years, the service standard was met, on average, at a rate of 89%.

When are public office holders contacted by the Office?



INITIAL COMPLIANCE PROCESS

The [initial compliance process](#) is a critical step that all reporting public office holders must complete to achieve compliance with the *Conflict of Interest Act*. It is an opportunity for them to learn the rules, reflect on areas where they might potentially find themselves in a conflict of interest and address potential issues. Once they have completed this process, they are well positioned to maintain their compliance with the Act throughout their term of office and thus avoid any [conflict of interest](#). Public office holders are welcome to contact the Office for one-on-one personal advice about their situation at any time.

Initial compliance is a two-stage process that must be completed within 120 days after a reporting public office holder's appointment or reappointment (when there is an interruption between the appointment and reappointment).

In the first stage, they must submit to the Commissioner, within 60 days of their appointment, a Confidential Report outlining their assets, liabilities, income, current and past activities and any other information the Commissioner considers necessary, such as the names of relatives or friends that have dealings with the federal government.

In the second stage, advisors in the Office review the Confidential Report and discuss with the reporting public office holder any measures that may be needed to comply with the Act. Compliance measures include the [divestment](#) of controlled assets, which they are not allowed to hold or acquire during their term of office, and withdrawal from outside activities. Additional appropriate measures under section 29 of the Act could also be determined and would include the establishment of [conflict of interest screens](#). The Commissioner has delegated to the Director of Advisory and Compliance the authority to grant reporting public office holders an exception, under subsection 15(3) of the Act, to its prohibition on outside activities, for involvement in organizations of a philanthropic, charitable or non-commercial character if it is not incompatible with their public duties.

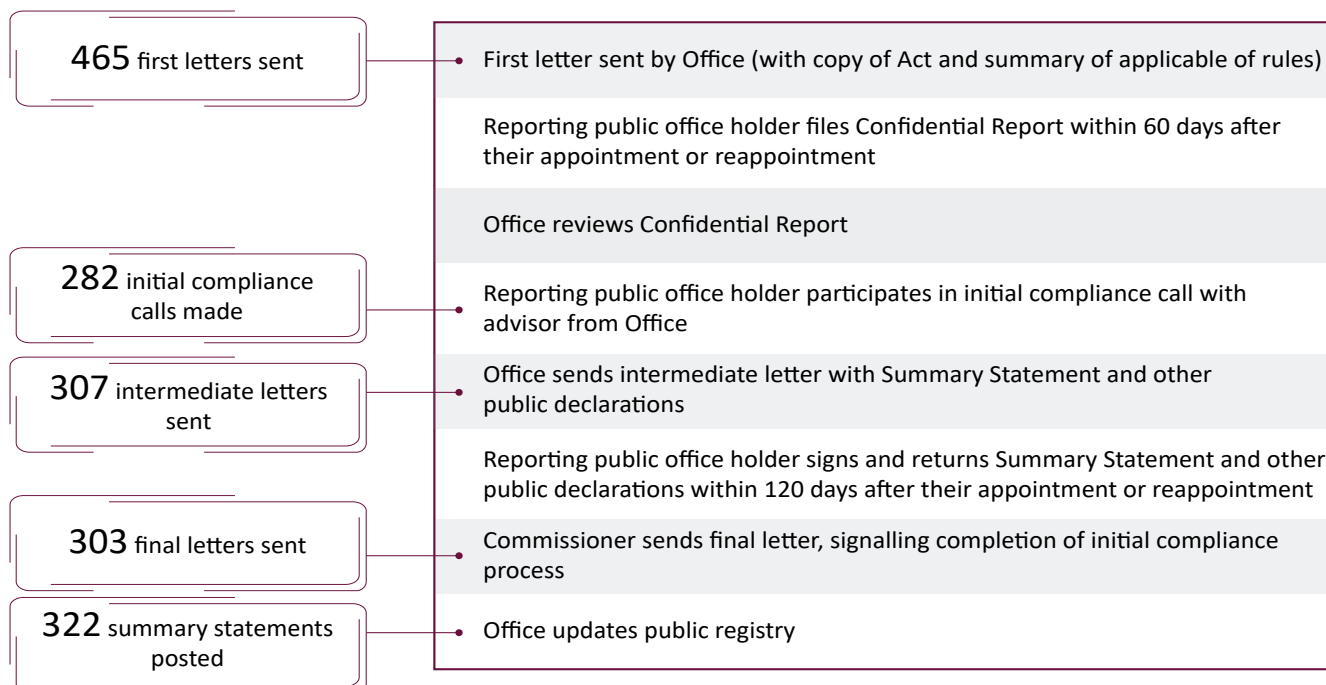
Reporting public office holders must divest any [controlled assets](#) by selling them to a third party in an arm's-length transaction or by placing them in a [blind trust](#). The Commissioner has delegated to the Director of Advisory and Compliance the authority provided under [subsection 27\(10\)](#) of the Act to exempt certain controlled assets from divestment if they are of such minimal value that they do not constitute any risk of conflict of interest in relation to a reporting public office holder's official duties and functions.

In 2021-2022, there were 53 divestments of controlled assets, including 29 by sale and 24 by blind trust. The Office issues reimbursement orders to reporting public officer holders' organizations for reasonable costs for establishing, maintaining and dismantling blind trusts. The Corporate Management division reviews and analyzes those costs, as well as the costs for withdrawal of business and commission fees. It helps the Commissioner determine the reasonableness of the fees so reimbursement orders may be issued. In 2021-2022, the Commissioner issued 165 orders for reimbursement totalling just over \$1 million, up 20% from the previous year. Factors contributing to this increase may be reflective of a high percentage of blind trusts established, the increased costs for establishing blind trusts, and the May 2021 update of an [information notice](#) on the reimbursement of these costs.

The initial compliance process is completed after the Office prepares a Summary Statement of the Confidential Report, as well as any applicable public declarations, and the reporting public office holder signs them. They must do so within 120 days of their appointment.

The purpose of the 60-day and 120-day deadlines is to ensure reporting public office holders arrange their affairs promptly to prevent conflicts of interest. The Commissioner has discretion when imposing a penalty for failure to meet these deadlines. Delays in the Office being notified of or learning about new appointments mean it sometimes cannot immediately reach out to reporting public office holders to inform them of their obligations under the Act, potentially resulting in missed deadlines. In 2021-2022, 76% of reporting public office holders submitted the information required for the initial compliance process on time.

Initial compliance process for reporting public office holders

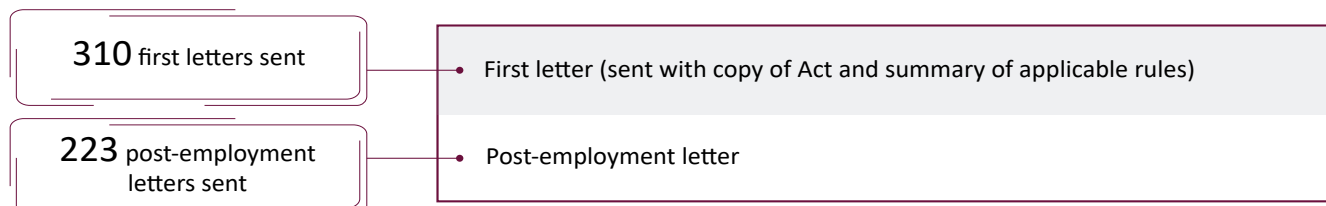


Once the initial compliance process has been completed, the Summary Statement and any required declarations are posted in the [public registry](#).

In 2021-2022, 352 initial compliance processes were completed and 322 summary statements were posted in the public registry. The Office concentrated its efforts on completing these processes as quickly as possible to ensure that reporting public office holders achieved compliance with the Act. This is in line with the number of compliance processes completed in the previous year. Discrepancies between initial compliance processes completed and summary statements posted are attributable to some processes having been completed in one fiscal year and the statements posted in another.

The Office began developing a new system which in fiscal year 2022-2023 will replace the [declaration portal](#) that regulatees currently use to submit their public declarations. It will give reporting public office holders a fully secure, fast and easy way to submit information required under the Act, communicate with their advisors, keep track of their compliance requirements and request reimbursement of blind trust fees. (Please see “[Our Infrastructure](#)” section.)

Process for public office holders without reporting obligations



The Office communicated with public office holders without reporting obligations on several occasions throughout the year. For example, it sent them links to the Commissioner’s [2020-2021 Annual Report](#) under the Act, invited them to educational sessions, included them in the January 2022 survey of public office holders, and offered tailored presentations to organizations with public office holders without reporting obligations.

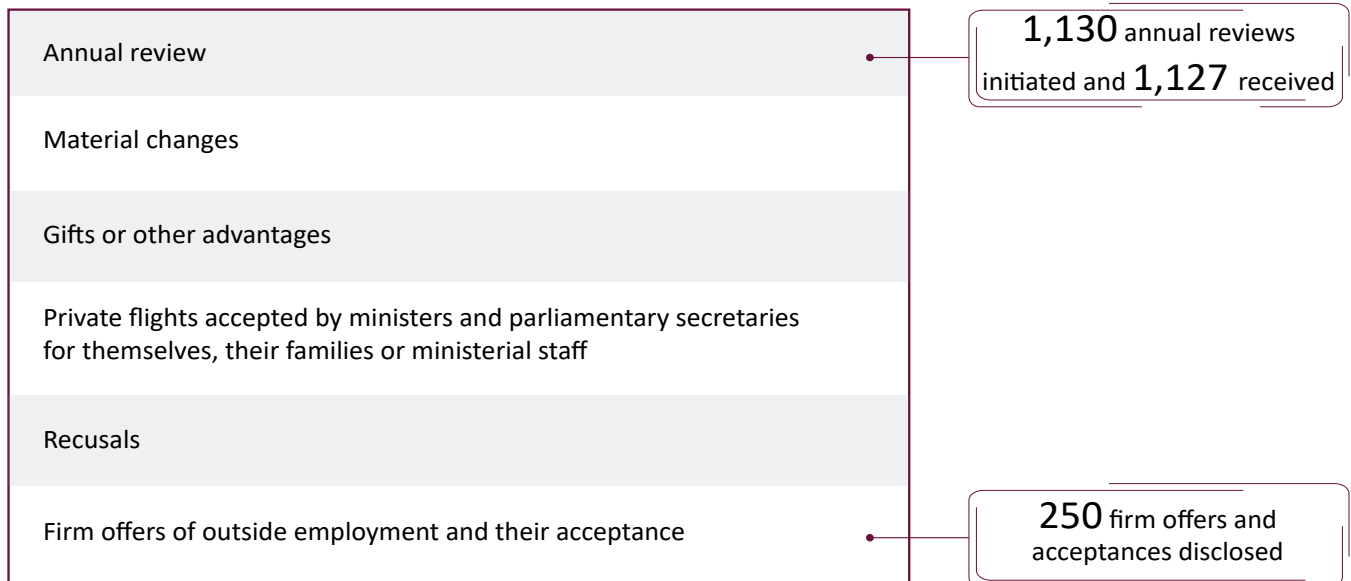
ONGOING REPORTING REQUIREMENTS

After completing the initial compliance process soon after their appointment or reappointment, reporting public office holders must meet various reporting requirements throughout their terms of office to comply with the *Conflict of Interest Act*.

This is very important because changes to their personal situations over time, as well as other developments, may modify their current compliance arrangements, creating the potential for conflicts of interest to arise. Material changes could include buying or selling a house or a car, incurring or paying off a loan over \$10,000, or any new ties between relatives or friends and government entities. When reporting public office holders disclose such information to the Office, advisors can help them prevent and avoid conflicts of interest.

In March 2022, the Office organized an educational session for ministerial staff. Its focus was material change because a number of ministers' offices had requested more clarity on when their staff are required to declare changes to the Office. Material change was also one of the top-ranked topics in the January 2022 survey of public office holders.

Ongoing reporting requirements



Survey of Public Office Holders

To improve service delivery and better understand the needs of public office holders in helping them meet their obligations under the Act, in January 2022 the Office conducted a survey of public office holders for the first time since the Act took effect. It was primarily about subject areas of interest to regulatees, their overall opinion of their interactions with the Office, and communication tools. The survey focused on the Act, so it was sent to individuals who are subject only to the Act. It was not sent to ministers and parliamentary secretaries, because they are also subject to the *Conflict of Interest Code for Members of the House of Commons*.

The survey generated a response rate of slightly over 30%, producing valuable feedback.

The survey indicated that over 61% of the respondents had been public office holders for a period of 1 to 5 years; 82% opted for taking the survey in English and 18% in French; and Governor-in-Council appointees made up nearly 80% of respondents, with ministerial staff making up 20% of the respondents.

The following observations are based on an analysis of the results:

- 77% of respondents felt positively about the Office;
- 84% of respondents were satisfied with their most recent one-on-one interaction with the Office;
- a number of respondents commented on the value of plain language in Office communications.

It can be stated that the survey responses represent the views of all public office holders within ± 3.8 percentage points 9.5 times out of 10.

The Office will use the results to improve its communications products and service delivery. In the interests of transparency, it will make them public in a detailed report in 2022-2023.

POST-EMPLOYMENT

Post-employment rules are important in ensuring that former public office holders do not take advantage of their previous office, colleagues or contacts in entities with which they had direct, significant and official dealings. The *Conflict of Interest Act* contains [post-employment](#) provisions that apply to public office holders after they leave public office. Some apply to all former public office holders for life. Additional rules apply to former reporting public office holders during a one- or two-year cooling-off period.

While in office, public office holders must also not let themselves be influenced by plans for, or offers of, outside employment. Reporting public office holders must disclose all firm offers of outside employment to the Office within seven calendar days after receiving them. If a reporting public office holder is considering accepting an offer, their advisor will provide advice on the permissibility of accepting it in light of their current or post-employment obligations. If they subsequently accept an offer of outside employment, they must also disclose the acceptance in writing to the Office, as well as to other authorities specified in the Act, within seven calendar days. Their advisor will then give them additional guidance on their current and post-employment obligations.

Once they are in post-employment, former reporting public office holders are no longer required to report acceptance of employment. The Office monitors sources of public information regarding their employment activities after leaving public office to ensure they comply with the Act's post-employment provisions and to check that those activities match the information they provided to the Office when entering post-employment.

In June 2021, the Office hosted two teleconferences (one each in English and in French) on offers of outside employment and recusals. In December 2021, the Office hosted an educational session on post-employment and offers of outside employment for ministerial staff, who are reporting public office holders under the Act.

In 2021-2022, the population of former reporting public office holders increased by 18% and the number of former public office holders without reporting obligations rose by 5%. The Office sent twice as many post-employment letters as it did the year before. This may be attributable in part to turnover resulting from the September 2021 election. Moreover, the number of firm offers of outside employment and acceptances disclosed to the Office tripled compared to the previous year. The Office's proactive educational activities about these requirements of the Act may have contributed to the increase in such disclosures.

PUBLIC REGISTRY

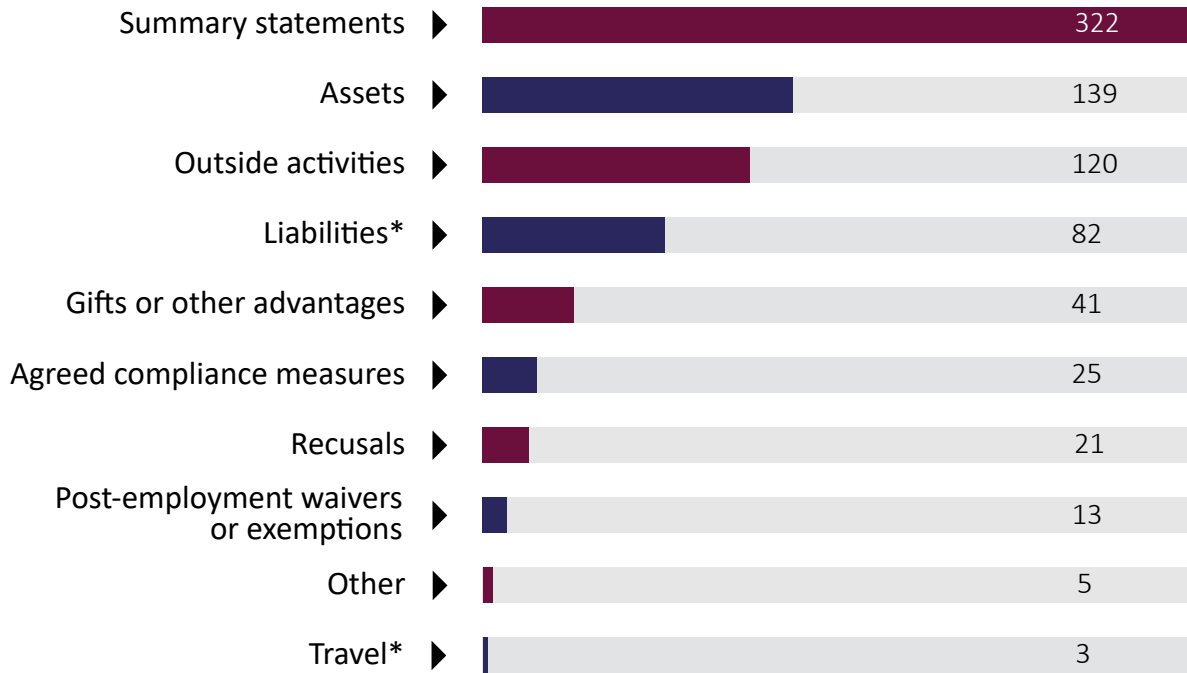
Making up-to-date compliance information accessible to the public contributes to transparency and enables public scrutiny; powerful tools that are key to the effectiveness of conflict of interest regimes.

The Office maintains a [public registry](#) of all of the information about individual public office holders and Members of the House of Commons that the Commissioner is authorized to make public. A searchable database, it is frequently accessed by regulatees, the media, members of the public, governments around the world and international ethics practitioners. Improvements to the registry are coming in fiscal year 2022-2023. It will become part of an integrated system that will include a new [declaration portal](#) and a new internal case management system, ensuring postings are timely and accurate and enhancing the user experience. However, there will be no changes to the types of information it contains since it is reflective of the requirements of the Act. (Please see "[Our Infrastructure](#)" section.)

In 2021-2022, the Office posted a total of 1 250 items in the public registry, down 10% from the previous year. Contributing to this decrease is the high turnover among regulatees. This is typical of the period before and during an election call.

There were over 65,000 public registry page views in 2021-2022, which is in line with the previous year. During the September 2021 election, there was a slight dip in public registry page views and activity, followed by an increase in page views and postings. The registry contains a dedicated page for each regulatee and, depending on current events, some pages are consulted more often than others. Over the past few years, there has been an overall increase in the number of public registry visits, with a significant spike in the last quarter of 2021-2022. This may reflect a higher level of interest in the Office’s mandate, a better understanding of the rules that apply to regulatees and greater awareness of the registry following the election.

What did public office holders declare in 2021-2022?



*ministers and parliamentary secretaries only

DIRECTION AND ADVICE

Prevention—that is, recognizing and taking measures to avoid conflict of interest situations—is a major focus of the regimes administered by the Office. Public office holders must familiarize themselves with the rules and take appropriate measures to prevent conflicts of interest.

As part of its preventative approach to compliance assurance, the Office provides public office holders with proactive guidance, including direction on issues involving real or potential conflicts of interest. The Commissioner also encourages public office holders to seek direction and advice from the Office when they come across situations that may be difficult for them to navigate. Advice is provided by advisors based on the facts before them and in accordance with pre-established precedents confirmed by the Commissioner or following consultation with the Commissioner. This requires prior review by the Commissioner for certain reporting public office holders such as ministers, parliamentary secretaries, heads of agencies, deputy ministers and chiefs of staff.

The Office also offers pre-employment advice to candidates for positions as public office holders, when requested.

To ensure it meets regulatees’ needs in a timely manner, the Office has put in place a service standard of three business days for responding to requests for advice. This standard was met in over 90% of cases in 2021-2022, surpassing the 80% target. The Office responded to 3,349 requests for advice from public office holders, up 50% from the year before. In the January 2022 public office holders survey, one of the greatest value-adds highlighted by respondents was one-on-one access to an advisor.

The Commissioner recognizes the importance of ensuring the confidential advice it provides to public office holders is clear and consistent and has made this a priority for the Office since his appointment. Consistency of advice was also identified as an important element in the January 2022 public office holder survey. There is no one-size-fits-all approach that can apply to every situation, as confidential advice is tailored to the circumstances of each individual case, since there may be factors that can change the outcome of a decision in cases that are similar. The Office continues to take measures to ensure consistency. It records the Commissioner’s interpretations of the Act in an internal practice manual that advisors can consult. Whenever a public office holder consults the Office, the consultation is added to their file for future reference. This process helps advisors better understand the realities faced by public office holders and continue to adapt advice and messaging to help them prevent conflicts of interest. The Commissioner also maintains an ongoing dialogue with advisors.

The Office tracks the types of advice requested so it can identify trends that may impact its workload and identify training needs. For example, there was a 50% increase in requests for advice relating to post-employment in the two quarters following its June 2021 educational session on post-employment and offers of employment.

What did public office holders ask about?



EDUCATION AND OUTREACH

The Commissioner discussed the importance of education in a January 2022 [op-ed](#) published in *The Hill Times*. He noted that complying with the *Conflict of Interest Act* is not about avoiding penalties but about doing the right thing and encouraged public office holders to educate themselves about the Act’s rules.

In May 2021, the Office issued an updated information notice on [reimbursement of costs](#) associated with divestment of assets and withdrawal from activities. In October 2021, it issued an information notice on the meaning of “[friendship](#)” for the purposes of the Act. While noting that the Commissioner determines the existence of a friendship on a case-by-case basis, it sets out several indicators that may help determine whether an individual is a friend within the meaning of the Act. It also discusses public office holders’ obligations under the Act when it comes to friendships.

The Office gave 19 presentations to offices and organizations with regulatees subject to the Act in 2021-2022, almost double the number of presentations compared to the previous year, reaching almost 600 regulatees. Regulatees can request presentations for their organizations by contacting the Office, and advisors may offer presentations when speaking to regulatees.

The Office has found that online educational sessions offer a convenient and flexible way to deliver training. They enable it to reach more regulatees whose busy schedules might not permit them to attend in-person sessions. And they make it possible for participants to pose questions anonymously. Providing online training is also feasible within the Office’s current resourcing levels, as the technology is provided by the House of Commons IT team.

In June 2021, the Office hosted two teleconferences (one each in English and in French) on offers of outside employment and recusals. In December 2021, the Commissioner hosted a teleconference on [post-employment rules](#) and [offers of outside employment](#) for ministerial staff. In early January 2022, several ministerial offices asked for a presentation for their ministerial staff. Given the number of requests and the number of new ministerial staff who were being onboarded, the Office set up one educational session in each official language to handle the numerous requests and consulted with the ministerial offices on the most appropriate timing and topic. Therefore, in March 2022, prompted by a high volume of information requests from ministers’ offices, another educational session was offered to ministerial staff, providing an overview of their obligations, with a focus on the items that should be kept top of mind. There were 170 participants in this session. A doubling of the number of firm offers and acceptances of outside employment disclosed to the Office in 2021-2022 compared to the previous year indicates that better awareness of the rules results in improved compliance.

The Office reached out to public office holders on Twitter ([@EthicsCanada](#)) as an additional means of helping them understand their obligations under the Act and how to comply with it. Its social media posts are not meant to replace other communications but serves to supplement current education practices such as personalized emails from advisors, general emails from the Commissioner and information notices on the website. Indeed, the January 2022 survey of public office holders revealed that only 30% of regulatees rely on Twitter as a source of information about the conflict of interest regimes administered by the Office. This is in line with statistics on Canadians' reliance on Twitter as a news source.

ENFORCEMENT

While the Office seeks to ensure full compliance with the *Conflict of Interest Act*, there are several enforcement mechanisms available to address non-compliance and the Commissioner does not hesitate to apply them as necessary. Their application serves to encourage compliance rather than to punish.

The January 2022 survey of public office holders revealed that some do not view the Act's rules as flexible and that they do not reflect their positions since the same rules apply to all reporting office holders— from interns in a minister's office to ministers themselves. There is an opportunity for the Office to better explain the reasoning behind these rules to foster more understanding.

Administrative Monetary Penalties

The Commissioner can impose [administrative monetary penalties](#) of up to \$500 for failures to meet certain reporting requirements of the Act within established deadlines.

In 2021-2022, the Office issued 18 administrative monetary penalties, seven more than in the previous year. It also updated its procedures to give public office holders the option of paying penalties by credit card.

When an administrative monetary penalty is issued, the Act requires the Commissioner to make public the nature of the violation, the name of the public office holder and the amount of the penalty. The Office posts penalties in the [public registry](#) and publishes them on social media. Tweeting administrative monetary penalties supports the Commissioner's commitment to openness and transparency and can also have a deterrent effect. The Office's tweets relating to penalties tend to generate higher engagement rates on average than its general informational tweets but are seen by fewer Twitter users.

Compliance Orders

Under section 30 of the Act, the Commissioner may order a public office holder to take any compliance measure to comply with the Act, such as submitting documents for their annual review, divesting [controlled assets](#) or ceasing prohibited activities.

The Commissioner issued 15 compliance orders in 2021-2022, five more than in the previous year. Like administrative monetary penalties, compliance orders are posted in the public registry and may be shared on social media.

Examinations

Under [section 44](#) of the Act, the Commissioner can launch an examination of a possible contravention of the Act at the request of a Senator or Member of the House of Commons who provides reasonable grounds to believe the Act has been contravened. The Office received nine requests for investigations under the Act from Members in 2021-2022.

Under [section 45](#), the Commissioner may conduct an examination on his own initiative if he has reason to believe that a current or former public office holder has contravened the Act. The Commissioner may decide to do so based on information from various sources, including media reports and complaints from members of the public. The Commissioner also has the discretion to conduct an inquiry on his own initiative. The Office received 15 requests for examinations under the Act from members of the public in 2021-2022.

The Commissioner issues a [public report](#) when an examination is completed. When the Commissioner decides to discontinue an examination launched under section 44 of the Act, a discontinuance report is issued. However, when the Commissioner discontinues an examination launched under section 45, he is not required to issue a report.

In 2021-2022, the Office issued two examination reports under the Act.

One focused on the conduct of the Right Honourable Justin Trudeau, Prime Minister of Canada. The other focused on the conduct of the Honourable Bill Morneau while he was Minister of Finance.

Both reports, which were issued on May 13, 2021, related to two matters involving the private interests of WE, an international development charity and youth empowerment movement founded by Messrs. Marc and Craig Kielburger. It had been alleged that Mr. Trudeau and his relatives were involved with WE and that the Morneau family had close ties with WE. One of the matters was a decision to award WE the administration of the Canada Student Service Grant (CSSG), a proposed government student relief initiative to encourage youth to participate in national service in the context of the COVID-19 pandemic. The other was a decision to fund WE's proposed Social Entrepreneurship program, a digital program providing entrepreneurship expertise and mentorship opportunities.

Both reports also focused on the same provisions of the Act: subsection 6(1), section 7 and section 21.

Subsection 6(1) prohibits public office holders from making or participating in the making of a decision that would place them in a conflict of interest. Section 4 states that a public office holder is in a conflict of interest when they exercise an official power, duty or function that provides an opportunity to further their private interests or those of their relatives or friends or to improperly further another person's private interests.

Section 7 prohibits public office holders from giving preferential treatment to a person or organization based on the identity of a representative of the person or organization.

Section 21 requires public office holders to recuse themselves from any discussion, decision, debate or vote on any matter in respect of which they would be in a conflict of interest.

In the [Trudeau III Report](#), the Commissioner found that Mr. Trudeau did not contravene subsection 6(1), section 7 or section 21 of the Act.

For a contravention of section 7 to occur, the treatment a public office holder gives to a person or organization must be more favourable than the treatment they might give to a similarly situated person or organization, and there must be a prior relationship between the public office holder and the representative. Mr. Trudeau's decision to approve the CSSG proposal with WE as the administrator of the program was not, in the Commissioner's view, motivated by the identity of any third-party representative, given the absence of a personal relationship between Mr. Trudeau and Messrs. Marc and Craig Kielburger. The Commissioner was satisfied that Mr. Trudeau did not give preferential treatment to WE and therefore did not contravene section 7 of the Act.

The Commissioner was satisfied that there was no opportunity to further Mr. Trudeau's own interests or those of his relatives from WE's role as administrator of the CSSG or from its Social Entrepreneurship proposal. He determined that Mr. Trudeau had the opportunity to further WE's private interests regarding its Social Entrepreneurship proposal and its selection as the administrator of the CSSG. However, for there to be a contravention of subsection 6(1), WE's private interests would have to have been furthered improperly. In the Commissioner's view, there was no evidence of impropriety in relation to Mr. Trudeau's decision making in relation to either matter. The Commissioner therefore found that Mr. Trudeau did not contravene subsection 6(1) of the Act.

The Commissioner considered whether Mr. Trudeau's relatives' relationship with WE, which created an appearance of a conflict of interest, was captured by the definition of conflict of interest under section 4 of the Act. He determined that without an actual conflict of interest or a clear legislative prohibition against apparent conflicts of interest, he could not conclude that a contravention occurred.

Although Mr. Trudeau has acknowledged publicly that he should have recused himself because of the appearance of a conflict of interest, there is no requirement to do so under the Act in such circumstances. Section 21 provides that recusal is required only in instances where the public office holder would be in a potential conflict of interest. The Commissioner therefore determined that Mr. Trudeau did not contravene section 21 of the Act.

In the [Morneau II Report](#), the Commissioner found that Mr. Morneau contravened subsection 6(1), section 7 and section 21 of the Act.

The Commissioner was satisfied there was no opportunity to further Mr. Morneau's own interests or those of his relatives in the matters under examination. Having examined the nature of his relationship with Mr. Craig Kielburger and the personal and professional interactions between them, he determined they were friends within the meaning of the Act. Consequently, he found that Mr. Morneau had the opportunity to improperly further WE's private interests.

The Office has traditionally favoured a narrow interpretation of "friend" to include only the public office holder's closest personal friends. The Commissioner believes it is necessary to broaden the scope of the term to capture relationships where personal and professional interactions become intertwined to such an extent that it becomes difficult to draw the line between the two. In such cases, the public office holder's judgment in the exercise of their official powers and duties can reasonably be impaired.

The friendship between Mr. Morneau and Mr. Craig Kielburger created a *potential* conflict for Mr. Morneau when called upon to make a decision that would further WE's private interests. Thus, any decision made by Mr. Morneau that provided an opportunity to further WE's private interests was made improperly. The Commissioner therefore found that Mr. Morneau contravened subsection 6(1) of the Act.

For a contravention of section 7 to occur, the treatment a public office holder gives to a person or organization must be more favourable than the treatment they might give to a similarly situated person or organization, and there must be a prior relationship between the public office holder and the representative.

The Commissioner found no evidence that Mr. Morneau was directly involved in a departmental decision to propose WE as the administrator of the CSSG. Nor did he appear to have provided instruction or direction to anyone associated with WE's Social Entrepreneurship proposal. However, his ministerial office had an unusually high degree of involvement in past files relating to WE that was also apparent in the matters under examination. The Commissioner was of the view that Mr. Morneau gave WE preferential treatment by permitting his ministerial staff to disproportionately assist it when it sought federal funding. He was of the view that this unfettered access to the Office of the Minister of Finance was based on the identity of WE's representative, Mr. Craig Kielburger. The Commissioner therefore found that Mr. Morneau contravened section 7 of the Act.

Mr. Morneau should have reasonably known that he was in a potential conflict of interest because of his relationship with Mr. Craig Kielburger when he received WE's Social Entrepreneurship proposal and when he was later advised that WE would likely play an important role in the student relief initiative. The Commissioner found that by having failed to recuse himself from participating in related briefings, discussions and votes, Mr. Morneau contravened section 21 of the Act, as his participation provided an opportunity to improperly further WE's private interests because of his friendship with Mr. Craig Kielburger.

Barring exceptional circumstances, the Office's target is to conduct examinations within a 12-month timeframe. Since the Commissioner took office in 2018, 14 reports have been published under the Act. The average time to complete an examination, including examinations prompted by referrals from the Public Sector Integrity Commissioner, is just over eight months. This average also includes reports on Public Sector Integrity Commissioner referrals where an examination is not warranted. The Office makes it a priority to produce examination reports with due dispatch to ensure that Canadians are well informed in a timely manner of any contravention of the Act, especially when the matter under examination has been made public. To complete investigations within a reasonable timeframe, the Office relies on the cooperation of the subjects of the examinations and other witnesses.

As of March 31, 2022, the Office was not working on any examinations under the Act.

Examination Case Files

When the Office receives information about a possible contravention of the Act, whether from a Senator or Member of the House of Commons, media reports or complaints from members of the public, it may open a case file. When a case file is opened, the Office conducts an initial review of the matter. Some of these reviews may lead to [examinations](#), which, barring exceptional circumstances, the Office aims to complete within 12 months. When an examination is not found to be warranted, the case file is closed.

Overall, there was a 28% decrease in the number of case files in 2021-2022. While there was an increase in case files during the second quarter of the fiscal year, which coincided with the electoral period, there was a sharp drop in the number of case files opened during the last two quarters. However, in February and March 2022, the Office received over 1,000 requests from members of the public asking the Commissioner to investigate the participation of Members and ministers in the World Economic Forum. Since the requests did not provide sufficient information to warrant an investigation and they were all related to the same topic, they were counted as a single case file by the Investigations and Legal Services division.

Examination case files in 2021-2022

How many case files were opened and closed?	
Total case files (a case file is a concern that is reviewed by the Office)	33
Ongoing	3
Closed without an examination	28
Closed with publication of report	2
Who was the subject of each case file?*	
Current or former minister and parliamentary secretary	23
Current or former public office holder	17
Person not subject to the Act	0
What was the source of these case files?	
Member of the general public**	15
Within the Office	5
Member of the House of Commons	9
Media	4
Office of the Public Sector Integrity Commissioner	0
What was the nature of the concern?*	
Furthering a private interest	19
Duty to recuse	15
Post-employment rules	5
Influence	6
Preferential treatment	10
Private air travel	1
Prohibited activities	2
Public declaration	5
Insider information	0
Gifts and other advantages	1
Material changes	2

*some case files have more than one subject or concern

**Members of the House of Commons are no longer subject to the Code when an election is called so their requests for investigations were counted as requests from members of the public

Referrals from the Public Sector Integrity Commissioner

Matters may be referred to the Commissioner by the Public Sector Integrity Commissioner under subsection 24(2.1) of the [Public Servants Disclosure Protection Act](#). It provides another mechanism for Canadians to request investigations and for the Commissioner to be made aware of possible issues. When such a referral is received, the Commissioner is required, under section 68 of the *Conflict of Interest Act*, to issue a public report whether or not an examination is launched. No such referrals were received or reported on in 2021-2022.

Oversight

Information about potential non-compliance can serve as a basis for the Office to reach out to regulatees with advice or direction, or to apply the regimes' enforcement provisions as appropriate.

To strengthen its oversight of potential non-compliance with the conflict of interest regimes it administers, in May 2022 the Office staffed a new data analyst position in the Communications, Outreach and Planning division. Sources of public information are monitored, particularly in relation to positions that have been evaluated as potentially having a higher risk of conflict of interest. Special attention is paid to outside activities in which reporting public office holders may be engaged and former public office holders' employment after leaving public office.

PUBLIC COMMUNICATIONS

In support of public education about the regimes that it administers, the Office makes a range of information available on its website, is active on social media, responds to inquiries from the media and members of the public, and delivers presentations to the interested public. Below is a summary of its activities in these areas for 2021-2022.

The Office monitors the volume of relevant Twitter mentions, news mentions, website activity and mentions during Question Period. In general, high mentions lead to workload increases for the Office. Tracking these trends can help the Office prepare for an influx of public and media inquiries, for example, or become aware of issues that might relate to its work. The Office publishes this data in its quarterly statistical reports.

Website

The Office continued to maintain its website as an important source of information to help educate and inform regulatees, the media and the public. The number of website visitors increased by 19%, for a total of 52,765 visitors.

In July 2021, it added to the website a detailed [chronology](#) that highlights milestones—dating back almost to Confederation—in the development of Canada's federal conflict of interest regimes and their administration. The chronology is a useful research tool that brings together information from a range of sources and details how the culture of ethics and integrity has been shaped in Canada.

Social Media

The Office's social media presence allows it to be aware of and participate in relevant discussions and provides an additional source of information about the Office and the public registry.

The Office continued to be active on social media. The total number of followers for [@EthicsCanada](#) and [@EthiqueCanada](#) grew by 16% (3,596 followers), further increasing the Office's social media reach. It tweeted 159% more times than in the previous year, sending one to two tweets per day. More than 6% of visits to the Office's website were from links on Twitter and the Office's own tweets drove 2% of the traffic. Over half of the Office website's traffic resulted from an Internet search. Although difficult to pinpoint, social media conversations relating to ethics can lead to independent searches of the Office website to verify facts or find more information.

While the January 2022 survey of public office holders revealed that Twitter is not used as an information source by most public office holders, it is a preferred tool used by the media, who have been identified as key stakeholders of the Office. The Office's tweets can help them report accurately on the Office and its work. When the Office releases a report, its associated tweets often attract attention that may lead to additional inquiries from the public and the media.

Media and Public Inquiries

The Office fielded nearly 3,500 information requests received from the media and members of the public by phone, email, post and fax, as well as through direct messages on Twitter. The Communications, Outreach and Planning division has developed procedures and processes to ensure that it provides accurate, timely and useful information to the individuals and groups seeking information. Although the conflict of interest regimes' strict confidentiality provisions mean no information can be provided about individual cases, the Office strives to provide as much information as possible about the rules and their general application.

The Office was also copied on a number of emails that were not relevant to its mandate. Its practice is to respond only to those that are directly addressed to the Office. Such emails represented 60% of total correspondence received in 2021-2022.

The media can help the Office provide accurate information to the public about the conflict of interest regimes that it administers. In 2021-2022, it received 47% fewer requests from the media compared to the previous year. Many of those requests sought information about the *Trudeau III* and *Morneau II* reports and were received in the months preceding their May 2021 release. Direct inquiries about the status of a current case file or public office holder constituted 80% of media requests. Only 20% related to general inquiries about the role and mandate of the Office. Journalists have demonstrated an increased understanding of the regimes, which may have resulted in fewer requests for information about general topics. The Office met its four-hour service standard for responding to media inquiries in 100% of cases.

The Office also took a proactive approach in a particular case. It had received several media inquiries about the compliance of former public office holder Dominic Barton with the Act's post-employment rules, but because of confidentiality requirements, it could not provide any information. The Office later received consent from Mr. Barton to share information about the matter and reached out to the journalists who had requested information about it. This move contributed to transparency and helped provide Canadians with information that would allow them to be better informed.

The Office started categorizing by subject the information requests it receives, to see if any trends can be observed. For instance, does an increase in media inquiries about a particular topic prompt more requests about it from members of the public and from public office holders seeking advice? This kind of information helps the Office adapt its education and outreach activities as appropriate. For example, there were several inquiries about regulatees' general obligations, gifts, post-employment and outside activities, all of which align with the categories the Office tracks when it provides advice to regulatees. The Office consequently tweeted about these subjects to help educate the public.

The data also revealed that 15% of media requests received in the past year related to ongoing public investigations while 65% were direct inquiries about a regulatee's compliance. Because of confidentiality restrictions, the Office cannot provide any information about individual regulatees other than what is already in the public registry. The Office provides additional context about the administration of the Act the Code when possible.

Just over a third of public inquiries were complaints about various subjects. The Office generally cannot act on these complaints because they are either outside of its mandate or there are no reasonable grounds to believe that a contravention has occurred based upon the information received in the query. When relevant, complainants are asked to fill out an investigation request form. If they submit a completed form, the Office notifies them that their information will be reviewed.

Over 1,000 of the public and media inquiries received by the Office during the year were from members of the public asking the Commissioner to investigate the involvement of Canadian parliamentarians in the World Economic Forum. These requests were received in February and March 2022. The Communications, Outreach and Planning division responded on behalf of the Office to each one by explaining the mandate and role of the Office and providing information about the investigation process. The responses were tracked in its public inquiry statistics.

In the first quarter of the fiscal year, the Office achieved its service standard for responding to public inquiries within 10 days at 80%. Although this met the threshold set by the Office, an analysis of the response process revealed there were some efficiencies to be gained and it was changed slightly. The Office was subsequently able to achieve its service standard at higher rates, ending the year with an 89% achievement of its 10-day service standard.

COLLABORATION AND BEST PRACTICES

Thanks in part to the technology that makes it possible to have productive and effective meetings virtually, the Office continued to maintain and strengthen connections with officials and organizations in Canada and other countries in 2021-2022.

Domestic Outreach

The Commissioner participated in the annual meeting of the Canadian Conflict of Interest Network ([CCOIN](#)) in September 2021 and in its semi-annual meeting in March 2022. CCOIN is made up of federal, provincial and territorial conflict of interest commissioners. The Office coordinates information sharing within the network, gathering and disseminating information and materials acquired by or developed in various Canadian jurisdictions.

Several Canadian universities asked the Office to provide an overview of the Commissioner's role and mandate to give students an opportunity to gain a firsthand understanding of Canada's federal conflict of interest regimes. The Commissioner delivered a presentation at Carleton University and another at York University alongside Information Commissioner Caroline Maynard.

In July 2021, the Commissioner participated in Quebec Ethics Commissioner Ariane Mignolet's [podcast](#) with Senate Ethics Officer Pierre Legault. They discussed conflict of interest and ethics jurisdictions across Canada and the benefits of belonging to networks of ethics practitioners.

In February 2022, the Office submitted [comments](#) on the draft update of the *Lobbyists' Code of Conduct* during a consultation process initiated by Commissioner of Lobbying Nancy Bélanger. Participating in this process aligned with the principles of the [Memorandum of Understanding](#) signed by the two commissioners in March 2018.

The Commissioner met privately with other agents of Parliament to discuss common issues and concerns, and Office employees liaised with their counterparts in those agents' offices.

International Outreach

The Office always considers the value added to its mandate when it agrees to participate in international events. Sharing best practices, learning about the ways conflict of interest rules are applied and listening to the public discourse around ethics issues in other jurisdictions are part of ongoing developmental activities for members of the Office. As the field of public ethics continues to change and grow, keeping abreast of ongoing developments can help inform the Office's work.

The Office remains an active member of the Réseau francophone d'éthique et de déontologie parlementaires ([RFEDP](#)) [link in French only] within the [Organisation internationale de la Francophonie](#). The RFEDP fosters the sharing of best practices to enhance expertise and help the parliaments of Francophonie member countries adopt ethics principles and conflict of interest rules. In 2021-2022, the Office contributed to two RFEDP working groups focused on training and best practices. In November, the Commissioner and several other members of the Office participated in the RFEDP's two-day annual general meeting and the Director of Advisory and Compliance was nominated to its Bureau.

The Office also continues to be an active member of the Council on Governmental Ethics Laws ([COGEL](#)), a U.S.-based international not-for-profit organization of government ethics practitioners in which other Canadian conflict of interest and integrity offices also participate. In December, the Commissioner and Office representatives attended COGEL's virtual annual conference. The Director of Communications, Outreach and Planning is a member of the program planning committee for COGEL's 2022 conference, an in-person event that will be held in Montreal in December.

International outreach activities in 2021-2022 included participation by the Commissioner and other senior Office representatives in bilateral meetings with international counterparts to discuss Canada's ethics regimes and share best practices, and in other events. The Office also responded to several requests for information from or on behalf of international organizations.

In September 2021, communications methods and tools were discussed with France's [Haute Autorité pour la Transparence de la vie publique](#).

In October, the Office met with the Public Sector Directorate of the Organisation for Economic Co-operation and Development ([OECD](#)) to answer its questions about best practices that could be implemented by the Office of the Commissioner for Standards in Public Life in Malta.

In November, the Commissioner participated in a panel at the [one-day conference on ethical standards in government](#) organized by the United Kingdom's Institute of Government. The panel was entitled "What can the UK learn from how other governments uphold standards?" Commissioner Dion participated alongside the Director of Policy Transparency International UK and the Commissioner for Standards at the Northern Ireland Assembly. The invitation to this event resulted from the Commissioner's March 2021 appearance before the United Kingdom's independent Committee on Standards in Public Life to discuss how Canada's federal ethics regimes work.

That same month, the Office sent comments on the Third Resolution for the [9th Session of the Conference of the States Parties to the United Nations Convention Against Corruption](#) through Global Affairs Canada. The resolution, "Enhancing the use of beneficial ownership information to facilitate the identification, recovery and return of proceeds of crime," seeks to address asset recovery.

In December, the Office was approached by the Treasury Board of Canada to provide input into the OECD's integrity indicators. Its input related to reporting requirements of appointed and elected public officials and general information about Canada's federal conflict of interest regimes. This project was part of the [OECD Public Integrity Indicators Portal](#), which will compile data to provide an accurate picture of the state of public integrity among OECD countries. The Office will monitor the portal, which will provide access to comparative data for benchmarking purposes.

In February 2022, it shared information about Canada's public integrity framework with representatives of Israel's Ministry of Justice.

Finally, in March, Office representatives attended the OECD's [Global Anti-Corruption and Integrity Forum](#). The theme was "Renew governance, business, finance, sustainability, development aid, taxation and more, with integrity."

When approached, the Office is pleased to share best practices relating to the administration of the *Conflict of Interest Act* and the *Conflict of Interest Code for Members of the House of Commons*. In March 2022, the Commissioner met with the Honourable Stéphane Dion, Ambassador to Germany and Special Envoy to the European Union, to discuss sharing best practices with the Office's counterparts in Armenia. Later that month, it was contacted by the Embassy of Mongolia and agreed to meet with its counterparts from Mongolia. Future meetings may take place during the next fiscal year.

OUR TOOLS

The Office's accomplishments result from the hard work, dedication and resilience of its employees in implementing the Commissioner's vision, with the support of a sound internal management framework.

OUR PEOPLE

To ensure the Office has the human resources it needs to fulfill its vision and achieve its mission, two staffing processes were completed or initiated in 2021-2022.

The Office continued to operate primarily in a telework environment. It developed a new telework policy that will take effect in the new fiscal year. Under it, the Office will adopt a hybrid model where employees may choose, in consultation with their director, to work from home some or all of the time, while continuing to ensure the Office delivers on its mandate. The flexibility this approach gives employees can help them achieve a better work-life balance and reduce stress, thereby helping the Office retain and attract talent. In general, employees appreciate being able to telework and this contributes to a positive workplace. The Office is also planning to reduce its physical space requirements as fewer employees will need to be accommodated on-site.

To continue to address matters of importance across the federal public sector and elsewhere, the Office has created two cross-divisional working groups. One is focused on Equity, Diversity and Inclusion and aims to apply the concepts that harness the strengths of a diverse workforce. The other is focused on Learning and Development and aims to equip employees with the tools and skills that are required to efficiently fulfill the Office's mandate.

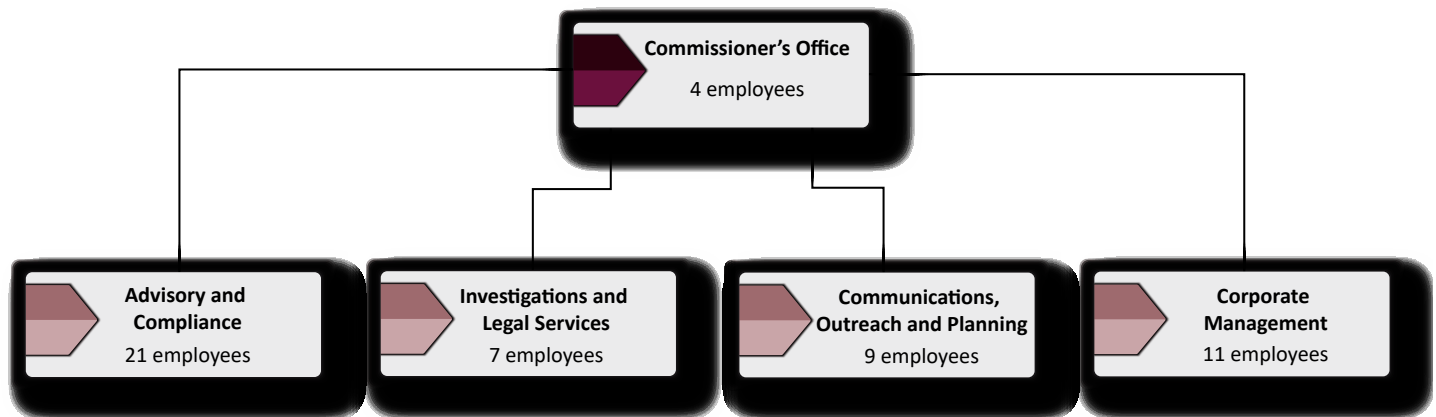
The Office has started taking steps to implement [Bill C-81](#), An Act to ensure a barrier-free Canada. This legislation will benefit all Canadians, and especially persons with disabilities, by preventing barriers in areas like information and communications technologies.

The Office refined and started implementing a comprehensive plan to strengthen and expand internal communications. Strong internal communications can build employee engagement. They can help ensure employees' well-being by contributing to their mental health, motivation and happiness. And they can drive operational excellence, by ensuring all employees have the information they need to do their jobs, helping them see the big picture and how their work supports it, and making them feel invested in the organization. Internal communications are also especially important in a telework or hybrid environment.

In February 2022, the Office launched a new intranet, a collaborative hub that enables employees to easily access the internal information and resources they need to do their jobs effectively and eliminate potential duplication of effort. It reflects a key focus area of the Office's strategic plan: establishing efficient, accessible and user-friendly information and data management systems. It also contributes to the goal of ensuring an engaged, collaborative, healthy, inclusive and diverse workforce. The Office updated its employee orientation guide to better support onboarding. It created a new tool to improve collaboration among employees by providing ideas and approaches for handling new types of cases that may not fall within pre-set processes, suggesting questions that employees should ask themselves to help guide them and providing a list of internal contacts, categorized by file, to help them find the answers they need. The Office also linked employee awards to specific competencies by developing an updated awards and recognition program that aligns with the Office's [Code of Values and Standards of Conduct](#).

To ensure the Office's policy framework reflects current realities, the Office developed and implemented a Policy on COVID-19 Vaccination and a Work Place Harassment and Violence Prevention Policy. It also published a [Pay Equity Act](#) notice signalling its intent to post a pay equity plan by the legislated deadline of August 31, 2024, and to update it.

The Workplace Harassment and Violence Prevention Policy, which took effect in May 2021, was established to meet the requirements of the [Parliamentary Employment and Staff Relations Act](#) regarding the *Canada Labour Code, Part II*, and its Work Place Harassment and Violence Prevention Regulations. It applies to all employees of the Office, as well as to every person granted access to the work place. This includes the Office’s premises at 66 Slater Street in Ottawa, or any location or any event related to work activities, including while working remotely/from home in accordance with an employer-approved telework arrangement. As required by the policy, the Office conducted an assessment of internal and external risk factors to target any hazards specific to the Office that could contribute to harassment and violence in the work place. While the assessment showed that many measures were already in place to mitigate identified risks, the Office developed some additional measures. The Office held a mandatory information session on the policy for all employees, made related resources available on its intranet and required all employees and managers to take relevant training. Going forward, all new employees must complete training on workplace harassment and violence prevention within three months of their start date.



No employees left the Office in 2021-2022. While turnover among Office employees has historically been quite low, it appears to have stalled during the COVID-19 pandemic, possibly because of uncertainties in the external environment. By comparison, four employees (8.7%) left the Office in 2019-2020 and two (4.2%) left in 2020-2021.

As an organization of just over 50 employees, the Office recognizes that its small size has some benefits. These include being nimble so it can respond quickly to changes in the external environment and being able to quickly and easily draw on expertise from throughout the organization to address emerging issues and priorities. However, it is also aware of potential challenges, such as the need for employees to have multiple skill sets. This can make it difficult to staff positions, creates additional training requirements, makes it harder for other employees to cover the duties of absent colleagues, and reduces opportunities to meet succession planning needs from within the organization. As well, in small organizations, internal views may be prioritized and there may be fewer opportunities to seek input and opinions from outside the organization. There are also fewer professional development and career development opportunities. The Office is working to address these challenges on several fronts. In addition to actions mentioned elsewhere in this report, it is identifying training opportunities for employees, encouraging them to join communities of practice that bring together individuals from federal departments and agencies, and monitoring international counterparts for new and innovative ideas.

OUR INFRASTRUCTURE

The Office continued to update its policies and guidelines in line with those of other parliamentary entities and the wider public service.

To make internal operations more efficient, its Corporate Management division implemented a new document management system and a new human resources management system. It also updated a suite of financial policies that will take effect in the new fiscal year.

The Office’s financial statements are audited each year by an independent external auditor. The Financial Resources Summary appended to this report outlines its financial information for the 2021-2022 fiscal year.

To better serve regulatees and the public and to improve internal administrative processes, in 2021-2022 the Office undertook the most significant information technology project in its history. With support from House of Commons IT staff, it began developing a new, integrated system that will replace the [declaration portal](#), the [public registry](#) and the Office's internal case management system when it launches in fiscal year 2022-2023.

This all-in-one platform will give reporting public office holders a fully secure, fast and easy way to submit to the Office information required under the *Conflict of Interest Act*, communicate with their advisors, keep track of their compliance requirements and request reimbursement of blind trust fees. It will give public office holders who do not have reporting obligations a more convenient way of communicating with the Office. It will give the Office a more accurate and more efficient means of managing regulatees' files. And it will enhance the usefulness of the public registry by helping to ensure the timeliness and accuracy of postings.

OUR PLAN

The Office has put in place a three-year strategic plan that captures the Commissioner's vision and is designed to improve the way it fulfills its mandate in the 2021-2024 period. Not only does the plan identify a number of projects, the Office also strives to align other projects to the key focus areas identified in it to ensure that resources are adequately harnessed.

Many of the initiatives mentioned in this report align with one of those key focus areas along with the projects that were completed:

- Stakeholder communications and engagement
 - Key Stakeholder List, Public Office Holder Survey, tailored educational activities
- People and culture
 - New policies and guidelines, working groups on Equity, Diversity and Inclusion, and on Learning and Development
- Information management
 - New collaborative tools and records management, new intranet
- Information technology
 - Work on the new software for managing public office holders and Members of the House of Commons
- Approach to compliance assurance
 - Analysis of public sources to ensure compliance, review of the Act and the Code exercises

The strategic plan is an evergreen tool. The status of all projects identified in it was assessed quarterly and the results shared with senior management, allowing for some timelines to be redefined based on changing operational needs while ensuring continued progress towards their completion.

OUR CHALLENGES

The Commissioner sees challenges as opportunities that carry the potential for positive change.

LEVERAGING TECHNOLOGY

Responding to the workplace challenges caused by the COVID-19 pandemic was an opportunity for the Office to improve and streamline how it operates on a day-to-day basis. Forced to rethink many of its work processes, it has embraced collaborative tools and new technology that can save time by making processes more efficient and enable employees to work together more effectively. Time saved can be spent on other activities that support the achievement of the Office's mandate, such as information gathering and strategic analysis.

Technology is now at a point where it is reliable, user-friendly and convenient. The Office is leveraging these tools, while prudently balancing the risks of relying on automated processes.

In 2021-2022, the Office built on its efforts in recent years to streamline and improve processes by using technology in new ways. For example, since April 2021, production of its quarterly statistical reports, which were previously created manually using input from the Office's different divisions, is now 80% automated. Thanks to advancements in collaboration technology, the tools and software used have been tailored to significantly reduce the need for manual input, avoiding human error and speeding up the task. This leaves more time for the analytical thinking that translates into meaningful observations that can inform decision making. Using technology to improve other internal processes has positively impacted regulatees by streamlining the Office's interactions with them.

The Office's 2021-2024 strategic plan has a component that focuses on building for the future. In support of this forward-looking approach, the Office is developing a new, integrated system that will replace the declaration portal, the public registry and the Office's internal case management system. (Please see "[Our Infrastructure](#)" section.)

This recalls the theme of the [2019 OECD Anti-Corruption and Integrity Forum](#), "Tech for trust." Examining the relationship between technology and democracy, the forum focused on the risks and opportunities afforded by new technologies and demonstrated that, with the proper tools, conflicts of interest could be effectively prevented and managed using technology.

DECLINING PUBLIC TRUST

The 2022 [Edelman Trust Barometer](#) and Transparency International's [2021 Corruption Perceptions Index](#) both indicated declining levels of public trust in governments and institutions in democracies around the world, including Canada.

By helping regulatees avoid and prevent conflicts between public and private interests, the Office plays an important role in contributing to Canadians' trust in public officials and the institutions in which they serve. Indeed, one of the purposes of the *Conflict of Interest Act* is to "minimize the possibility of conflicts arising between the private interests and public duties of public office holders and provide for the resolution of those conflicts in the public interest should they arise." Similarly, one of the purposes of the *Conflict of Interest Code for the House of Commons* is to "maintain and enhance public confidence and trust in the integrity of members as well as the respect and confidence that society places in the House of Commons as an institution."

Transparency is also key. In recent years, the Office has taken steps to make its administration of Canada's federal conflict of interest regimes as transparent as possible. It posts information in the public registry in a timely manner, provides as much information as the regimes allow when responding to requests for information from the media and others, publishes quarterly statistical reports on its activities, issues regular updates of the [Members' Compliance Status Report](#) and draws attention to the public registry through tweets and presentations. It has also started to focus on using plain language in its communications to help the public better understand the federal ethics framework.

The Office will continue to develop this aspect of its mandate to help inform Canadians' opinions about the state of institutions and democracy in Canada.

COURT MATTERS

Matters involving the Office have been the object of several applications for judicial review. While dealing with them can consume a significant amount of resources, they can also be opportunities to clarify the Commissioner's mandate and powers.

One court matter was resolved in 2021-2022:

Democracy Watch v. Attorney General of Canada, 2021 FCA 133: Democracy Watch applied for a judicial review of the Commissioner's decision in the *Trudeau II Report*. The Commissioner had commenced an examination in relation to allegations that the Prime Minister had used his position to unduly influence the Attorney General of Canada in a criminal proceeding. The applicant alleged that the Commissioner fettered his discretion and unreasonably refused to exercise his jurisdiction under the Act when he stated he did not have reasonable grounds to pursue concurrent examinations of eight public office holders who acted under the direction or authority of the Prime Minister. In dismissing the application, the Federal Court of Appeal held that the Commissioner's decision not to commence concurrent examinations was not a reviewable matter because it did not affect rights, impose legal obligations or cause prejudicial effects to those eight public office holders.

Only one court matter is outstanding as of March 31, 2022:

Democracy Watch v. Attorney General of Canada (A-169-21): Democracy Watch is challenging the findings of the Commissioner's *Trudeau III Report*. Specifically, Democracy Watch alleged in its notice of application that the Commissioner twice erred in law, erred in fact and violated a rule of natural justice. In support of its application, Democracy Watch requested a certified copy of all relevant documents related to the Commissioner's examination. The Commissioner objected to Democracy Watch's request for the certified tribunal record, noting that the record is not relevant to establish, validate or support any of those grounds. The Attorney General of Canada also filed a motion to strike the application on August 20, 2021. The Federal Court of Appeal has not yet rendered its decision on the motion.

APPENDIX

FINANCIAL RESOURCES SUMMARY

(thousands of dollars)					
Program Activities	2020-2021 Actual Spending	Main Estimates	2021-2022 Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Administration of the <i>Conflict of Interest Act</i> and the <i>Conflict of Interest Code for Members of the House of Commons</i>	6,305	6,853	6,853	6,568	Government Affairs
Contributions to employee benefit plans	756	817	817	771	
Total spending	7,061	7,670	7,670	7,339	
Plus: cost of services received without charge	1,127	n.a.	n.a.	1,141	
Net cost of department	8,188	7,670	7,670	8,480	

The budget process for the Office of the Conflict of Interest and Ethics Commissioner is established in the *Parliament of Canada Act*. Before each fiscal year, the Commissioner has the Office prepare an estimate of its budgetary requirements. The estimate is considered by the Speaker of the House of Commons and then transmitted to the President of the Treasury Board, who lays it before the House with the estimates of the Government of Canada for the fiscal year. The mandate of the Standing Committee on Access to Information, Privacy and Ethics includes reviewing and reporting on the Office's effectiveness, management and operations, together with its operational and expenditure plans.

The figures in this summary have not been audited. Complete audited financial statements will be available on the Office's website at ciec-ccie.parl.gc.ca.