



Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

Annual Report

*Conflict of Interest Code
for Members of the
House of Commons*

2019 2020



Mario Dion

Conflict of Interest and
Ethics Commissioner

Conflict of Interest and Ethics Commissioner – Annual Report 2019-2020, made under the
CONFLICT OF INTEREST CODE FOR MEMBERS OF THE HOUSE OF COMMONS

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Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

June 2020

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 Code for Members of the House of Commons* for the fiscal year ending March 31, 2020, for tabling in the House of Commons. The report is deemed permanently referred to the House of Commons Standing Committee on Procedure and House Affairs, under Standing Order 108(3)(a)(vii).

This fulfills my obligations under paragraph 90(1)(a) 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 Code for Members of the House of Commons (Code)* in 2019-2020.

It was an eventful and productive year.

Preparing for and dealing with the increased workload that typically results from general elections was a key focus for the Office in administering the Code. Indeed, almost 30 per cent of Members of the House of Commons elected in October 2019 did not hold seats in the previous Parliament. All Members, newly elected and returning alike, are required to complete the initial compliance process under the Code.

We released two investigation reports under the Code. Like all of my investigation reports, they were prepared with due diligence and dispatch. For me, they are proof of the robustness of Canada's accountability framework. It allows the federal conflict of interest regimes to be enforced even when the subject of an investigation is an elected Member. Investigation reports are also an opportunity to educate Members and the public.

We launched a new, mobile-friendly website aimed at better educating and informing stakeholders and the public about those regimes. It is just one component of a new communications approach that is currently under development. We continued to support transparency by publishing quarterly statistical reports on our activities.

We recognize that COVID-19 has made for a challenging time in Canada and around the world, and our thoughts are with everyone affected by the pandemic.

I remain honoured to serve Parliament and Canadians. I recognize that I am only able to do so because of the hard work and dedication of our employees, and I extend my gratitude to each and every one of them.

A handwritten signature in black ink, appearing to read 'Mario Dion'. The signature is fluid and cursive, written in a professional 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.

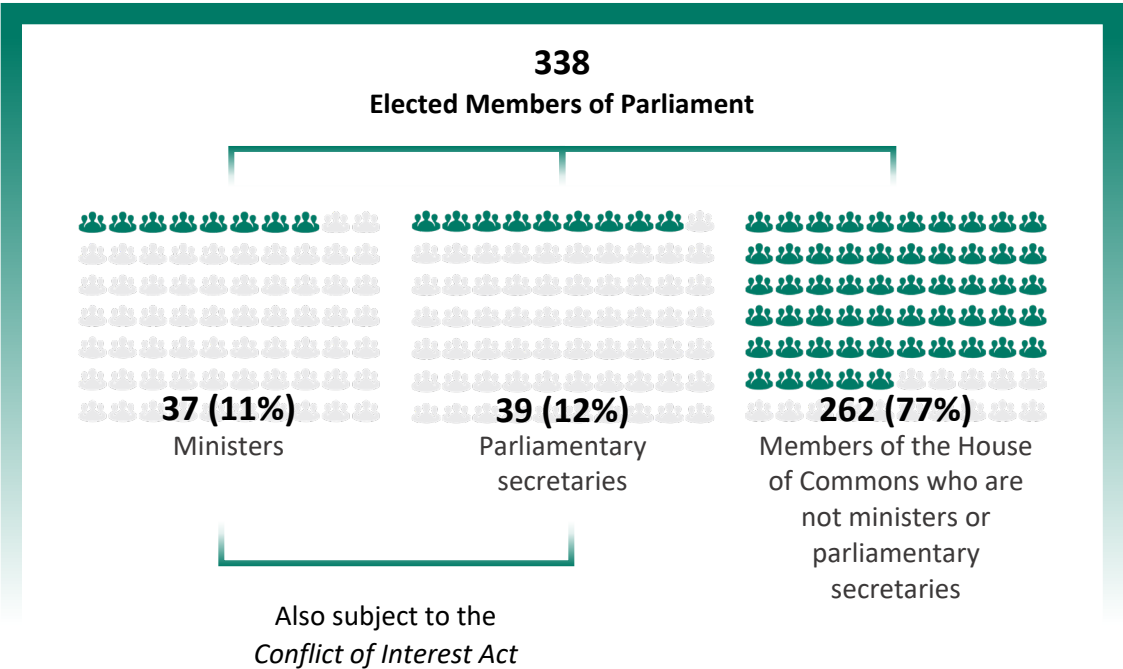
OUR MISSION

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 Code for Members of the House of Commons* and the *Conflict of Interest Act*.

OUR STAKEHOLDERS

The Office’s stakeholders include not only regulatees, namely the individuals who are subject to the conflict of interest regimes it administers, but also 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 the Members of the House of Commons who are subject to the *Conflict of Interest Code for Members of the House of Commons*. The Office’s quarterly statistical reports provide an accurate reflection of the fluctuations that occur throughout the year. The following graphic provides a snapshot of Members on March 31, 2020.



OUR ACHIEVEMENTS

Administering the Conflict of Interest Code for Members of the House of Commons requires the Office to undertake a number of key activities. The following pages explain these activities and how they were undertaken during fiscal year 2019-2020.

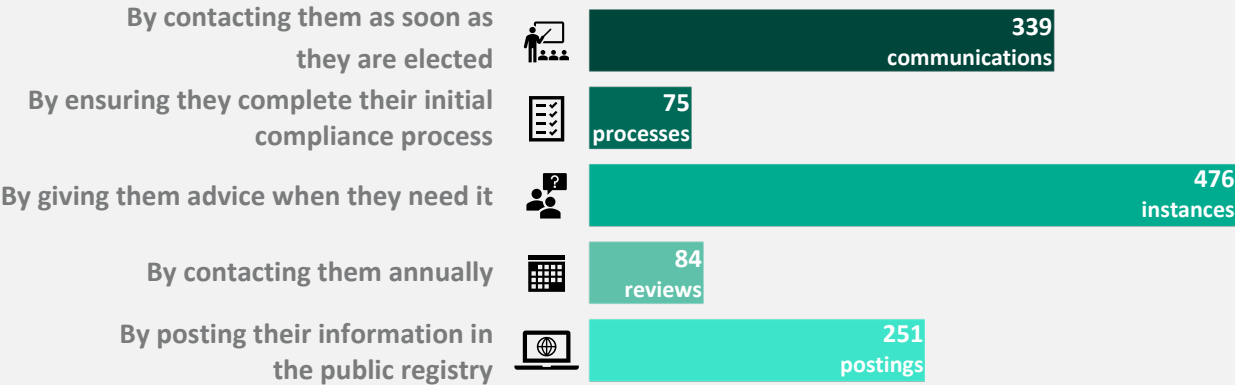
COMPLIANCE

Helping Members of the House of Commons and public office holders achieve and maintain compliance with the Conflict of Interest Code for Members of the House of Commons and the Conflict of Interest Act constitutes the core work of the Office.

To support this, a majority of the Office’s resources are dedicated to compliance functions. This includes not only the budget of its Advisory and Compliance division, which accounts for over one third of Office employees, but a portion of the budgets of other divisions as well. For example, the Legal Services division may provide opinions that help inform the decision-making process when the Commissioner provides guidance to Members and public office holders on particular compliance matters. The time spent by the Commissioner dealing with such matters and advising individual Members and public office holders is also a factor in the allocation of resources to the Commissioner’s Office.

The Office’s contact with Members starts shortly after their election or re-election and is maintained throughout their time in office.

How does the Office help Members comply with the Code?



Initial Compliance Process

All Members must complete an initial compliance process under the *Conflict of Interest Code for Members of the House of Commons*. It begins soon after they are elected or re-elected in a general election or by-election. The Office's compliance advisors and officers guide them through it every step of the way. The Commissioner is kept abreast of all Members' files throughout the process.

Steps in initial compliance process		75 initial compliance processes completed
<i>First letter (sent with copy of Code and other supporting documents)</i>	The Commissioner sends a letter to Members when notice of their election or re-election is published in the <i>Canada Gazette</i> .	339 first letters sent
<i>Confidential Disclosure Statement</i>	Members must file a confidential <u>Disclosure Statement</u> of detailed information on assets, liabilities, trusts, income, outside activities and other interests for themselves and their immediate family members. They must submit their Disclosure Statement and supporting documents, such as financial statements, to the Office no later than 60 days after notice of their election or re-election is published in the <i>Canada Gazette</i> . On request, advisors and officers help Members complete their statement.	
<i>Review of confidential Disclosure Statement</i>	Advisors review the information in the disclosure statements to inform Members about how to meet their initial compliance obligations under the Code. Some matters may require a decision from the Commissioner, and the Legal Services division may be required to provide opinions that help inform the decision-making process.	339 confidential disclosure statements received
<i>Initial compliance call</i>	Advisors schedule a call (or an in-person meeting) with each Member to discuss their <u>substantive obligations</u> under the Code and give them a detailed overview of their ongoing obligations. Advisors may request additional information to clarify or confirm the information provided. They also notify Members of the information that will require public disclosure.	93 initial compliance calls
<i>Intermediate letter (sent with Disclosure Summary)</i>	Advisors prepare disclosure summaries. Each Member has 60 days to review and sign their Disclosure Summary.	164 disclosure summaries prepared
<i>Final letter sent by Commissioner and public registry postings</i>	Signals the completion of the initial compliance process. Information on ongoing reporting obligations such as gifts and sponsored travel is enclosed. The Disclosure Summary is then placed on file at the Office and posted in the <u>public registry</u> on the Office's website.	

The Office maintains a *Members' Compliance Status Report* that identifies where each Member is in the initial compliance process on a specific day. It is updated as required, and more frequently after general elections, and is available on the Office website.

On March 31, 2020, 269 Members who were elected or re-elected in October 2019 were still in the process of completing the initial compliance process.

Ongoing Reporting Requirements

After they have completed the initial compliance process under the *Conflict of Interest Code for Members of the House of Commons*, Members must meet a number of reporting requirements throughout their time in office to remain in compliance. They are encouraged to contact the Office at any time if they have questions about their obligations.

<i>Annual review</i>	Members must file a full Disclosure Statement 60 days after the date established by the Commissioner for their annual review. This marks a change from the previous annual review process to better reflect the requirement in paragraph 20(1)(ii) of the Code. The Office made the change after the October 2019 election.	84 annual reviews initiated and 119 received
<i>General obligations</i>	Members are encouraged to contact the Office about all questions regarding their obligations.	190 requests for advice on general obligations
<i>Material changes</i>	Members must file a <u>Notice of Material Change form</u> within 60 days after the change to inform the Office of any material change to the information in their Disclosure Statement. The Office will determine if any measures must be taken and if the Disclosure Summary needs to be amended.	144 requests for advice and 10 public declarations of material change
<i>Gifts or other benefits</i>	Members must publicly declare any acceptable gifts or other benefits they or their family members accept from any one source in a 12-month period with a value of \$200 or more. A <u>Public Statement of Gifts or other Benefits form</u> must also be filed within 60 days after the day on which the cumulative value of multiple gifts from the same source exceeds \$200.	100 requests for advice and 45 public declarations of gifts or other benefits
<i>Sponsored travel</i>	Members who are not ministers or parliamentary secretaries may accept, for themselves and their guests, sponsored travel related to their position. They must file a Public Statement of Sponsored Travel form within 60 days after the end of the trip. To assist Members with procedures for disclosing sponsored travel they have accepted, the Office created, in March 2020, a document entitled <u>How to Disclose Sponsored Travel</u> .	43 public declarations of sponsored travel totalling \$231,577.65 in calendar year 2019

Recusals

Members are prohibited under section 13 of the Code from participating in debate on or voting on a question in which they have a private interest. Section 12 requires Members who have a private interest that might be affected by a matter that is before the House of Commons or a committee to which they belong, if present during consideration of the matter, to disclose, orally or in writing, the general nature of the private interest at the first opportunity. The general nature of the private interest must be disclosed in writing to the Clerk of the House of Commons. The Clerk must ensure the disclosure is recorded in the *Journals* and send it to the Commissioner, who must file it with Members' public disclosure statements.

The Office communicates with Members in their preferred official language, as indicated by Elections Canada. Members may also inform the Office whether they wish to communicate in English or French.

Public Registry

Transparency is a pillar of effective conflict of interest regimes. In this context, it means openness, clarity, unobstructed access and disclosures when interacting with, or on behalf of, the public.

The conflict of interest regimes administered by the Office ensure transparency through disclosure and public declaration requirements.

The Office maintains a public registry of compliance documents required under the *Conflict of Interest Code for Members of the House of Commons* and the *Conflict of Interest Act*. It is a searchable database that contains Members' disclosure summaries and public statements relating to gifts or other benefits, sponsored travel, recusals and material changes. Public declarations made under the Code are also available for public consultation in printed form at the Office.

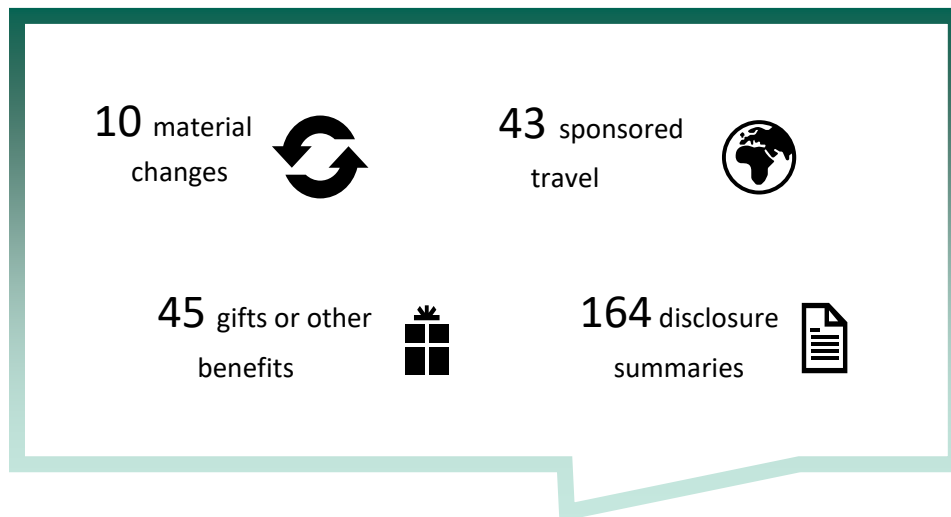


23,266
public
registry
visits in
2019-2020



1,024
public
declarations
including **251** from
Members and **773** from
public office holders

What did Members declare?



DIRECTION AND ADVICE

To help Members comply with the *Conflict of Interest Code for Members of the House of Commons*, the Office provides them with confidential direction and advice tailored to their individual situations. It continues to follow the processes developed since its creation and the interpretative approach taken by the Commissioner in the last two years to ensure coherence in the application of the rules set out in the Code. All Members must be able to feel confident the advice they are given is fair and appropriate. This is reflected in the Office’s mission statement and is the objective of several projects in the Office’s three-year [strategic plan](#).



476
requests for
advice from
Members

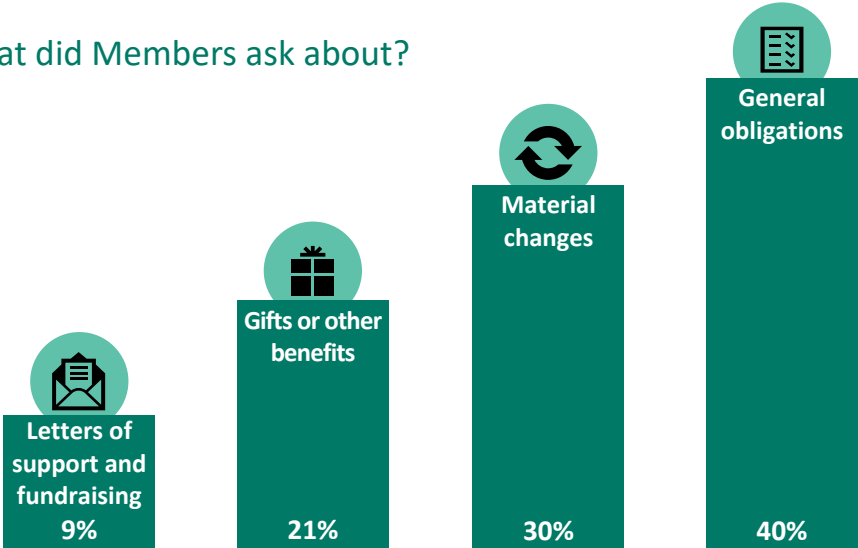
The Office advises Members on a range of matters, both during and after the initial compliance process.

The number of requests for advice decreased by 33% compared to last year. Part of this drop may be attributable to the dissolution of Parliament for the October 2019 election. During dissolution, those who were previously elected to the House of Commons are no longer Members and are therefore no longer subject to the Code. Other factors could also be at play. For example, the information the Office provides to Members through its education and outreach activities and on its website may preclude the need for them to seek advice in some cases as it may answer some of their questions.

Responded
within 3
business days
in **94%**
of cases

Requests for advice about the acceptability of gifts and other benefits represented 21% of the total requests for advice received by the Office in 2019-2020. Although this represents a 29% decrease compared to the 2018-2019 fiscal year, gifts remain one of the main topics that advisors are asked about. Accordingly, the subject of gifts was the focus of a joint educational activity with the Commissioner of Lobbying held in February 2020.

What did Members ask about?



EDUCATION AND OUTREACH

The Office conducts a range of education and outreach activities to help Members of the House of Commons understand and meet their obligations under the *Conflict of Interest Code for Members of the House of Commons*. They supplement the confidential advice and direction provided to individual Members and other communications regarding compliance processes.

The Commissioner has a specific mandate under section 32 of the Code to undertake educational activities for Members and the general public regarding the Code and the role of the Commissioner.



Advisory opinions

The Office issues, updates and disseminates various informational materials about the requirements of the Code, including advisory opinions about Members' obligations.

→ All informational materials are posted on the Office's website



Presentations

The Office offers presentations to party caucuses every year to remind Members about their obligations under the Code.

→ In 2019-2020, seven presentations were given to Members

→ Total of 289 participants



Social media

The Office sometimes uses Twitter (@EthicsCanada) to communicate directly with Members. For example, it tweeted reminders about deadlines for disclosing any outstanding sponsored trips so they could be included in the annual *List of Sponsored Travel*.

→ In 2019-2020, the Office sent 171 tweets about its activities, role and mandate

ELECTION READINESS

As mentioned in last year's annual report, the Office's workload increases significantly in the lead-up to a general election and in the months that follow. As an election was scheduled for October 2019, election readiness was a key focus of its activity and planning under the *Conflict of Interest Code for Members of the House of Commons* in 2019-2020.

Building on work begun the previous year, the Office implemented an election readiness strategy so it could best serve Members of the House of Commons in a busy election year. It covered the pre-election, election and post-election periods and contained a range of elements, all of which flowed from the Office's strategic plan.

These included the hiring of additional resources to help with the increased workload.

The strategy also included actions to build awareness among existing Members about their obligations under the Code and to provide educational opportunities for prospective Members. For example, updated information about the Office and the Code was provided for the House of Commons intranet site. And for the first time, the Office reached out to candidates during an election, adding a page to its website about what would be required of them under the Code if they were elected.

Commissioner Dion met with the new Speaker of the House of Commons, the Honourable Anthony Rota, in January 2020. The Office also contacted the new chairs of the House of Commons Standing Committee on Procedure and House Affairs and the House of Commons Standing Committee on Access to Information, Privacy and Ethics. Furthermore, the Commissioner offered presentations to all caucuses. Two presentations to opposition parties were delivered in January and a third scheduled in the spring was postponed amid the COVID-19 pandemic. The Office gave a presentation to the Association of Parliamentary Spouses in February.

In September 2019, the Chief Electoral Officer of Canada and the Conflict of Interest and Ethics Commissioner renewed their information-sharing agreement. Under it, Elections Canada transfers to the Office secure information in relation to newly elected Members following a general election or by-election. The sharing of information allows the Office, in administering the Code, to communicate in a timely manner with each newly elected Member.

ENFORCEMENT

While prevention is its major focus, the Office does not hesitate to apply the enforcement provisions of the *Conflict of Interest Code for Members of the House of Commons* as appropriate.

The Conflict of Interest and Ethics Commissioner can conduct inquiries of possible contraventions of the Code, and the [inquiry reports](#) are made public.

Any Member who has reasonable grounds to believe that another Member has contravened the Code may ask the Commissioner to investigate by submitting a signed, written request that identifies the alleged non-compliance and provides reasonable grounds to believe that the Code has been contravened.

When the Office receives a valid request for an inquiry, it must forward it without delay to the Member named in the request and give them 30 days to respond. After receiving their response, the Office and the Commissioner conduct a preliminary review to determine if an inquiry is warranted. Within 15 working days of receiving the response, the originator of the request and the Member named in it are notified of the Commissioner's decision as to whether or not an inquiry will be conducted. Under paragraph 27(5.1)(iii) of the Code, the reasons for not proceeding with an inquiry may be described if the matter to which the inquiry relates has already been made public.

The House of Commons may also direct the Commissioner, by way of resolution, to conduct an inquiry, although this has not yet occurred since the Code was adopted in 2004.

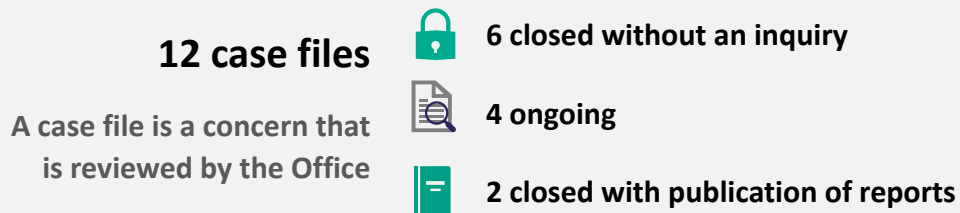
The Commissioner also has the discretion to conduct an inquiry on his own initiative.

The Commissioner is not empowered to impose sanctions under the Code but may recommend sanctions in inquiry reports. Section 28 of the Code provides that, following an inquiry in which the Commissioner concludes, for example, that a Member has not complied with an obligation under the Code and did not take all reasonable measures to prevent the non-compliance, or where a request for an inquiry was frivolous, vexatious or was not made in good faith, the Commissioner may recommend that the House of Commons impose appropriate sanctions. Only the House of Commons has the right to discipline its own Members and is responsible for imposing and administering sanctions, including any that may be recommended by the Commissioner.

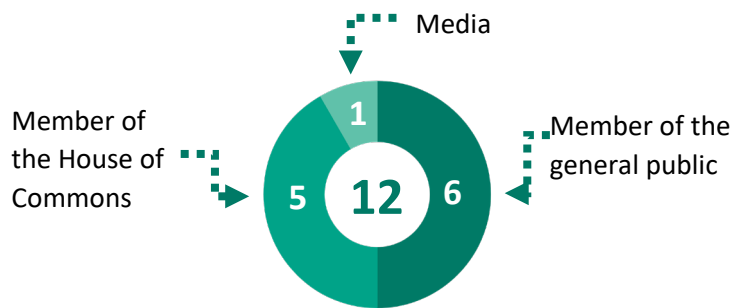
Inquiry Case Files

When the Office receives information about a possible contravention of the Code, including through media reports or complaints from members of the public, a case file is opened. The information is reviewed to determine whether the concern raised falls within its mandate and, if it does, whether there is reason to believe that a contravention of the Code has occurred. Some of these initial reviews lead to inquiries. In other cases, an inquiry is not found to be warranted and the files are closed.

How many case files were opened and closed?

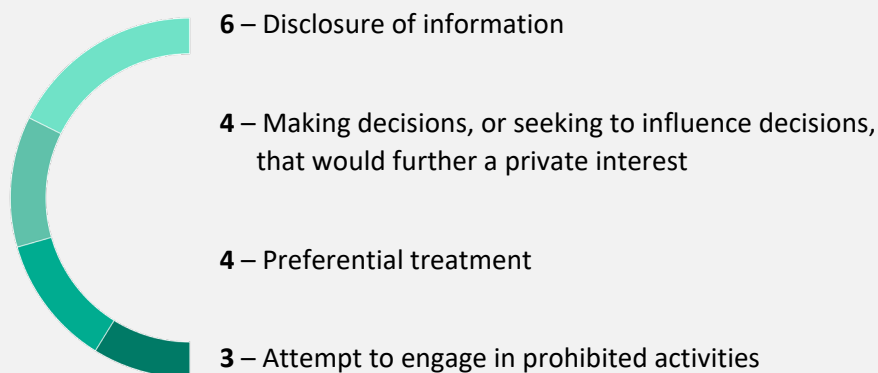


What was the source of these case files?



Members of the House of Commons were the subject of these case files

What was the nature of the concerns?



Inquiries

In 2019-2020, the Office issued two inquiry reports under the *Conflict of Interest Code for Members of the House of Commons*:

In the **Vandenbeld Report**, issued on July 10, 2019, the Commissioner found that Ms. Anita Vandenbeld, Member of Parliament for Ottawa West–Nepean, contravened section 11 of the Code. She attempted to use her position as a Member of the House of Commons to influence the decision of voters during a 2018 municipal election so as to further the private interests of her spouse, a candidate in the election.

The evidence showed that Ms. Vandenbeld used her position when she identified herself as a Member while endorsing her spouse's election bid in a letter to voters, in a recorded telephone message and when engaging in door-to-door canvassing.

Noting that Ms. Vandenbeld held a sincere belief that running for public office did not engage private interests and that she immediately stopped all of her campaign activities upon seeking and obtaining his advice to do so, the Commissioner determined that her failure to comply with the Code occurred through an error in judgment made in good faith and recommended that no sanction be imposed.

In the **Peschisolido Report**, issued on February 5, 2020, the Commissioner found that Mr. Joe Peschisolido contravened subsections 20(1) and 21(3) of the Code while he was the Member of Parliament for Steveston–Richmond East.

Subsection 20(1) requires Members to fully disclose their private interests and those of their family members to the Commissioner as part of the initial compliance process after their election and during each annual review. Subsection 21(3) requires Members to notify the Commissioner of any material change to the information contained in their disclosures within 60 days after the change.

Mr. Peschisolido failed to fully disclose his private interests in Peschisolido Law Corporation and changes to those private interests. He also failed to disclose a change in marital status, and to provide a full statement of his spouse's private interests.

Given that Mr. Peschisolido was no longer a Member and therefore not subject to the rules governing Members of the House of Commons, the Commissioner did not issue a recommendation that the House impose appropriate sanctions, as doing so would have served no purpose.

Barring exceptional circumstances, the Office's target is to conduct inquiries within a 12-month timeframe.

Average time to finish an inquiry



154 days

PUBLIC COMMUNICATIONS

In 2019-2020, the Office continued to undertake a range of public communications initiatives. They are aimed at educating and informing regulatees, as well as the media and the general public, about Canada’s federal conflict of interest regimes and the Office’s role in administering them.

The Office started developing a communications approach that identifies a range of actions in support of one of the key priorities identified in its strategic plan: building and improving communications and outreach processes.



Website

66,870 visitors

In October 2019, the Office launched a new website aimed at better educating and informing regulatees, the media and the public. Designed to make information more easily accessible in the interests of transparency and accountability, it has improved functionality and is more mobile-friendly, making it a more effective source of information.



Social media

1,245 followers

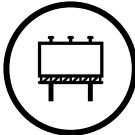
Twitter (@EthicsCanada) is used to communicate information about the Office and its work. Items of interest to the Office and the ethics community at large, such as relevant reports from other Canadian conflict of interest commissioners and international organizations, are retweeted. In 2019-2020, the number of followers grew by 22%, increasing the Office’s social media reach. The new communications approach includes a detailed social media plan.



Media and public inquiries

175 media
1,608 public

Recognizing the important role the media play in promoting awareness of the Commissioner’s role and mandate and the need to help them report as accurately as possible, the Office has continued to provide them with as much information as it is permitted to. It issues media advisories and news releases and shares information via Twitter in addition to responding to media and public inquiries. The Commissioner participated in six interviews with journalists in 2019-2020.



Presentations

11 presentations
584 participants

The Commissioner and representatives of the Office give a variety of presentations to help Canadians and international audiences understand the Office’s role and mandate. Where possible, participants have access to an Internet-based audience interaction tool that enables audience members to use their mobile devices to anonymously ask questions and participate in live polls.

In May 2019, a senior representative of the Office gave a presentation to The Many Facets of Parliament event for parliamentary employees. In October, the Commissioner met with Parliamentary Internship Programme participants and led a discussion with political science students at the University of Ottawa. The Commissioner also gave presentations to Ontario Legislative Internship Programme students in December, and to a class at Carleton University in February 2020. That same month, he participated in the Conference Board of Canada's Public Sector Leadership Conference.

The Office receives a large volume of inquiries from members of the public. When responding, it takes the opportunity to educate them about the Commissioner's role and mandate. When their concerns do not fall within the mandate of the Office, they are directed to other organizations that might be better able to assist them.

The Office received 1,783 communications from the media and the public in 2019-2020. The Office strives to respond to such communications in a timely manner and has established service standards to do so. The target for achieving those service standards was set at 80%. Media requests were responded to within four hours in 86% of cases. Communications from members of the public were responded to within two weeks in 80% of cases.

In 2019-2020, in support of its values of equality, respect and inclusiveness, the Office started using gender-inclusive language in its communications.

COLLABORATION AND BEST PRACTICES

The Office continued to work with counterparts in Canada and other countries in 2019-2020, exchanging information about conflict of interest rules and practices and discussing related issues in order to stay abreast of evolving concerns and new developments in the field.

Domestic Outreach

In September 2019, senior Office representatives attended the annual meeting of the Canadian Conflict of Interest Network (CCOIN), held in Regina, Saskatchewan. Formed in 1992, CCOIN is made up of conflict of interest commissioners at the federal level and from all Canadian provinces and territories. The Office has coordinated information gathering for CCOIN since 2010.



Photo by Gary Robins, Available Light Photographics and Design

In February 2020, the Office hosted a working meeting with the Quebec Ethics Commissioner and members of her staff. Employees in all divisions participated in briefings about Office activities and approaches in compliance, investigations, communications, strategic planning and other areas.



The Office has continued to implement the March 2018 memorandum of understanding that the Commissioner signed with the Commissioner of Lobbying to cooperate on education and outreach and to jointly organize educational activities for individuals affected by the work of both offices. In February 2020, the two commissioners cohosted a teleconference for Members on gifts and other benefits, reaching 69 participants.

The Commissioner meets regularly with other agents of Parliament to discuss common challenges and ways of meeting them and to listen to presentations of interest to all. Likewise, Office employees liaise with their counterparts in the offices of other agents of Parliament. For example, staff in the Communications, Outreach and Planning division attend regular meetings of an agents' communications group. Staff in the Legal Services division are part of an agents' legal services group that organized a one-day seminar in May 2019 for all lawyers in those offices.

International Outreach

In 2019-2020, the Office remained active in the network of conflict of interest and parliamentary ethics organizations within the Organisation internationale de la Francophonie. The Réseau parlementaire, which the Commissioner helped found in 2018, seeks to foster the sharing of best practices among commissioners and other ethics and conflict of interest bodies. In October 2019, a senior Office representative attended a meeting of the group in Namur, Belgium.

In December 2019, a senior Office representative made a presentation on the Commissioner's behalf at the 7th Global Conference of Parliamentarians Against Corruption. The event, organized by the Global Organization of Parliamentarians Against Corruption, took place in Doha, Qatar.

In December 2019, Office representatives attended the annual conference of the Council on Governmental Ethics Laws (COGEL) in Chicago, at which a senior Office representative participated in a panel discussion about compliance communications. COGEL is a U.S.-based, international not-for-profit organization of government ethics practitioners. The Office is a member and other Canadian conflict of interest and integrity offices are also active in it.

The Office was scheduled to participate in the Organisation for Economic Co-operation and Development's Global Anti-Corruption and Integrity Forum in Paris in March 2020, but the event was cancelled because of the COVID-19 pandemic.

International counterparts sometimes approach the Office to organize delegation visits. During such visits, the Office provides an overview of the Canadian ethical framework and explains the role and mandate of the Office. They are also an opportunity for the Office to learn firsthand about the ethics regimes in other countries. In December 2019, it hosted a delegation from the Ministry of Personnel Management of the Republic of Korea.



CONTACTS WITH PARLIAMENT

The Conflict of Interest and Ethics Commissioner is an independent officer of the House of Commons who reports directly to Parliament, through the Speaker of the House of Commons, on behalf of Canadians.

The Commissioner is required to submit an annual report on the administration of the *Conflict of Interest Code for Members of the House of Commons* to Parliament by June 30 for tabling by the Speaker of the House of Commons. The Commissioner reports on inquiries under the Code to the Speaker of the House of Commons.

The Commissioner must submit a list of sponsored travel under the Code to the Speaker by March 31 each year. Under subsection 15(1) of the Code, sponsored travel is any travel worth more than \$200 that is not fully paid by the government, a political party, a recognized parliamentary association or by Members themselves.

To further support transparency and accountability, the Office made the *List of Sponsored Travel 2019* more accessible by posting the report on its website in HTML and PDF formats and as a spreadsheet.

The Commissioner also testifies before parliamentary committees about the Office and its work. On May 16, 2019, he appeared before the House of Commons Standing Committee on Access to Information, Privacy and Ethics about the Office's budgetary submission for the 2019-2020 Main Estimates. The Committee has oversight responsibility for the Office and reviews its annual spending estimates.

The Commissioner was prepared to respond to a request received in March 2020 from the House of Commons Standing Committee on Procedure and House Affairs to discuss the Code as part of the five-year review the Committee was undertaking, but the discussion was delayed because of the COVID-19 pandemic.

OUR TOOLS

The success of the Office's mission is supported by its people and its infrastructure. Because the Office is a small organization, it also has the flexibility to respond quickly to changes in the external environment.

OUR PEOPLE

The accomplishments of the Office depend on the hard work and dedication of employees at all levels. Commissioner Dion has complete confidence in the senior management team and indeed in all Office employees. They produce work of consistently high quality, daily demonstrate rigour, professionalism and guidance on compliance matters, and act with integrity at all times.

The Commissioner is a separate employer whose employees are not part of the federal public administration. The Office has its own terms and conditions of employment relating to hours of work, employee benefits and general working conditions affecting employees, and they ensure that all reasonable measures are provided for their safety and security. The terms and conditions of employment were updated in 2019-2020 to ensure they are in line with those of other parliamentary entities and the federal public service.

The Office shares similar values with the public service and parliamentary entities. All Office employees are expected to follow the values—respect for people, professionalism, impartiality and integrity—set out in the Office's *Code of Values* and *Standards of Conduct*. These key documents were also updated in 2019-2020.

The Quality Workplace Promotion Committee continued to coordinate initiatives to promote employees' well-being. One of these was a two-day mental health first aid course offered by the Canadian Mental Health Association; participation was mandatory for directors and managers. The course was to be held twice in order to accommodate all participants, but the second session was postponed because of the COVID-19 pandemic.

OUR INFRASTRUCTURE

The Office has a sound internal management framework in place to ensure the prudent stewardship of public funds, the safeguarding of public assets and the effective, efficient and economical use of resources.

Because the Commissioner is an independent officer of the House of Commons and the Office is a parliamentary entity, it is not generally subject to legislation governing the administration of the public service or to Treasury Board policies and guidelines. It tries to ensure that its resource management practices are, to the greatest extent possible, consistent with those found in the public service and in Parliament. The Office also looks at policies and practices of other parliamentary entities and generally follows what they do, unless there is a valid reason to take a different approach.

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 2019-2020 fiscal year.

In March 2020, the Office organized a two-day occupational health and safety training course for its Work Place Health and Safety Committee and employees whose duties and responsibilities have an occupational health and safety component.

Finally, to support efforts to limit the spread of COVID-19, in March 2020, the Commissioner suspended in-office operations and assigned all staff to telework. Thanks to measures put in place earlier and support from the House of Commons information technology group, the Office was well equipped to continue to achieve its mission under modified working conditions. Measures completed in 2019-2020 included the replacement of remaining desktop computers with laptops and tablets and the development of a pilot telework policy.



OUR CHALLENGES

External developments can impact the way the Office implements its mandate. All of these challenges are opportunities that carry the potential for positive change.

SAFEGUARDING THE PUBLIC TRUST

Gaining and retaining public trust remains an ongoing challenge for institutions in Canada. This is evidenced by data published by credible international organizations that provide a broad indication of levels of public trust in Canada.

Transparency International's Corruption Perceptions Index ranks 180 countries and territories by their perceived levels of public sector corruption. In the 2019 index, Canada ranked as the 12th least corrupt country in terms of public perception, three positions behind its 9th place ranking in 2018.



Canada ranked 12th least corrupt country according to Transparency International's Corruption Perceptions Index 2019

The Edelman Trust Barometer is an annual survey that explores trust in business, government, non-governmental organizations and media across 28 global markets. According to its latest edition, released in February 2020, public trust in Canada slipped just below the global average in the past year.

Although overall trust levels have dipped slightly, these results demonstrate that Canadians place a great deal of importance on the integrity of their institutions.

Transparency and public trust interact in complex ways. In a democratic society, the latter cannot exist without the former. Yet when transparency allows light to be shined on instances of conflicts of interest, no matter how minor they might be, the public trust tends to erode. At the same time, the more issues of public integrity become salient, the better the public understands that safeguarding democratic institutions is a perpetual endeavour.

It is encouraging to note that more than half of the concerns the Office reviewed in 2019-2020 came from the general public. There are advantages in harnessing public scrutiny to strengthen the Office's compliance mechanisms. After all, the public has the most to lose when the checks and balances of democracy are not respected. Hence, the Office will continue to improve its outreach and education to ensure Canadians have the tools and understanding necessary to participate in safeguarding the public trust.

EFFECTIVE OVERSIGHT

The Office can administer the *Conflict of Interest Code for Members of the House of Commons* and the *Conflict of Interest Act* more effectively when Members of the House of Commons and public office holders reach out to the Office before taking actions or engaging in activities that could potentially

lead to a contravention of the applicable regime. Such knowledge could enable the Office to direct and advise them on how to deal with those situations in order to maintain compliance and avoid any loss of public trust.

While the Office has come across information indicating potential contraventions from time to time, it has not historically conducted any active oversight. Such information also allows the Office to apply the regimes' enforcement provisions as appropriate.

In 2019-2020, initial steps were taken to staff a new data analyst position in the Communications, Outreach and Planning division to help the Office improve its oversight. Monitoring of sources of public information will be conducted, particularly for positions that have been evaluated as potentially having a higher risk of conflict of interest.

The need to ensure effective oversight has become even more important as a result of the COVID-19 pandemic. In such an extraordinary situation, complying with the Code and the Act may, understandably, not be top of mind for Members and public office holders.

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 Office resources, they can also be opportunities to clarify the Commissioner's mandate and powers.

Court matters can also be opportunities to clarify the Commissioner's mandate and powers.

Democracy Watch v. Canada (Attorney General), 2020 FCA 28: The Federal Court of Appeal dismissed Democracy Watch's appeal of a decision by the Federal Court of Canada (2018 FC 1290) in respect of the appointment of the Conflict of Interest and Ethics Commissioner. The appellant argued that the Governor in Council failed in its duty to adequately consult with leaders of the recognized parties prior to the nomination and subsequent appointment of the Commissioner, Mario Dion, in 2017. The appellant also argued that the Governor in Council was biased in its decision, since there were members of Cabinet under examination at the time of appointment. In its reasons provided from the Bench, the Court was not persuaded that the consultation process had been unreasonable and that the nature of the legislative scheme to appoint a commissioner made the appearance of bias "inevitable." Democracy Watch has publicly stated that it intends to seek leave to appeal to the Supreme Court of Canada.

APPENDIX

FINANCIAL RESOURCES SUMMARY

(thousands of dollars)					
Program Activities	2018-2019		2019-2020		Alignment to Government of Canada Outcomes
	Actual Spending	Main Estimates	Total Authorities	Actual Spending	
Administration of the <i>Conflict of Interest Code for Members of the House of Commons</i> and the <i>Conflict of Interest Act</i>	5,827	6,356	6,356	6,199	Government Affairs
Contributions to employee benefit plans	691	787	787	687	
Total spending	6,518	7,143	7,143	6,886	
Plus: cost of services received without charge	1,110	n/a	n/a	1,134	
Net cost of department	7,628	7,143	7,143	8,020	

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 our 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 our website at ciec-ccie.parl.gc.ca.