



**Office of the Conflict
of Interest and Ethics
Commissioner**

**Commissariat aux
conflits d'intérêts et à
l'éthique**

The Kosick Report

made under the
CONFLICT OF INTEREST ACT



September 15, 2015

**Mary Dawson
Conflict of Interest and
Ethics Commissioner**

The Kosick Report

made under the
CONFLICT OF INTEREST ACT

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EXECUTIVE SUMMARY

This report presents the findings of my examination under the *Conflict of Interest Act* (Act) of the conduct of Mr. Daniel Kosick, a former policy advisor to the former Minister of Human Resources and Skills Development, in relation to his post-employment activities.

When he left public office in July 2013, Mr. Kosick became subject to the Act's post-employment rules for former reporting public office holders. In particular, subsection 35(1) of the Act prohibits former reporting public office holders from accepting an offer of employment with an entity with which they had direct and significant official dealings during their last year in office. As stated in subsection 36(1), this prohibition applies during the year following a reporting public office holder's last day in office, commonly called a "cooling-off" period.

I undertook this examination on my own initiative after becoming aware that Mr. Kosick had, during his first year after leaving office, started working for an entity with which he had interacted during his last year as a reporting public office holder. I had to determine whether any interactions Mr. Kosick had during his last year in office with his new employer were direct and significant official dealings.

In August 2013, a month after leaving the minister's office, Mr. Kosick accepted a job offer from Flagship Solutions Inc. (Flagship), a government relations and public relations company, and began working for Flagship as a senior communications officer. I found that while he was a policy advisor, Mr. Kosick had a number of interactions with Mr. Serge Buy, a lobbying consultant with Flagship who was registered to lobby on behalf of a client of Flagship, the National Association of Career Colleges (NACC). The federal Registry of Lobbyists shows that during Mr. Kosick's last year in office he met three times with Mr. Buy as a representative of Flagship, which was in turn representing the NACC.

Although Mr. Kosick maintained that he believed he was meeting with the NACC and not Flagship, the evidence indicates that, while he may not have been aware at the time of the meetings that Mr. Buy worked for Flagship, he knew before he accepted Flagship's job offer, or should have been alerted to the likelihood, that Flagship had lobbied him on behalf of the NACC.

I found that Mr. Kosick clearly had direct and significant official dealings with Flagship during his last year in office. I therefore concluded that by accepting the offer of employment with Flagship during his "cooling-off" period, Mr. Kosick contravened subsection 35(1) of the *Conflict of Interest Act*.





CONCERNS

In April 2014, I became aware that Mr. Daniel Kosick, a former policy advisor to the Honourable Diane Finley, P.C., M.P., then Minister of Human Resources and Skills Development, had, in the year after his last day in office, accepted an offer of employment with Flagship Solutions Inc. (Flagship), a government relations and public relations company.

According to the federal Registry of Lobbyists, Mr. Kosick was, while he was a policy advisor in Minister Finley's office, lobbied five times by Mr. Serge Buy, a lobbying consultant with Flagship who was registered to lobby on behalf of Flagship's client, the National Association of Career Colleges. Three of the five lobbying meetings occurred in Mr. Kosick's last year in office.

Pursuant to subsection 35(1) of the *Conflict of Interest Act* (Act), a former reporting public office holder is prohibited from accepting an offer of employment with an entity with which the former reporting public office holder had direct and significant official dealings during the period of one year immediately before his or her last day in office. For former ministerial exempt staff, this prohibition on employment applies during the period of one year following their last day in office ("cooling-off" period).

My Office contacted Mr. Kosick on January 15, 2015 for his comments with respect to the concern that it would appear that he had accepted a job with Flagship, an entity that had lobbied him in his last year in office. Mr. Kosick confirmed that, during his "cooling-off" period, he had accepted employment with Flagship and had been employed there as a senior communications officer during most of that period. He further confirmed there had been five lobbying meetings between himself and Mr. Buy and that they had discussed education items in the federal budget.

Based on this information, I had reason to believe that Mr. Kosick may have contravened subsection 35(1) of the Act.





PROCESS

On March 2, 2015, I commenced an examination on my own initiative in accordance with subsection 45(1) of the *Conflict of Interest Act* (Act). I wrote to Mr. Daniel Kosick to inform him that, based on the information before me, it appeared that he had accepted, in contravention of subsection 35(1) of the Act, an offer of employment with an entity with which he had had direct and significant official dealings during the period of one year immediately before his last day in office.

I asked Mr. Kosick to provide me with a written response to my concerns and received his response on March 30, 2015. I conducted a first interview with Mr. Kosick on April 29, 2015, during which I requested additional documents from him. I received these documents on May 20, 2015.

After that first interview, my Office interviewed two witnesses, one of whom also provided a written submission and documentary evidence.

I conducted a second interview with Mr. Kosick on August 13, 2015. Before this second interview, Mr. Kosick was given an opportunity to review the transcript from his first interview, excerpts of transcripts of interviews with the two witnesses, and related documents.

In keeping with the practice I have established in conducting examinations, Mr. Kosick was given an opportunity to comment on a draft of the factual parts of this report (Concerns, Process, Findings of Fact and Mr. Kosick's Position) before it was finalized.





FINDINGS OF FACT

Background

July 15, 2013 was Mr. Daniel Kosick's last day as a policy advisor in the office of the Honourable Diane Finley, P.C., M.P., then Minister of Human Resources and Skills Development. The next day he became subject to the post-employment rules under Part 3 of the *Conflict of Interest Act* (Act) as a former reporting public office holder.

On August 16, 2013, Mr. Kosick received an offer of employment as a senior communications officer from Mr. Serge Buy, a founding and senior partner at Flagship Solutions Inc. (Flagship). Mr. Kosick accepted Mr. Buy's employment offer and started his employment with Flagship on August 19, 2013. Mr. Kosick ended his employment with Flagship on May 5, 2014.

While a policy advisor at the Department of Human Resources and Skills Development Canada (HRSDC)¹, Mr. Kosick had attended five lobbying meetings with Mr. Buy. All five of these meetings had been registered in the federal Registry of Lobbyists by Mr. Buy in his capacity as a lobbying consultant with Flagship on behalf of its client, the National Association of Career Colleges (NACC). Three of those lobbying meetings occurred during Mr. Kosick's last year in office.

The purpose of this examination was to determine whether Mr. Kosick contravened subsection 35(1) of the Act by accepting, during the year immediately following his last day in office, the offer of employment with Flagship, an entity with which he may have had direct and significant official dealings during the year immediately before his last day in office.

Mr. Kosick's employment at HRSDC

Mr. Kosick was hired on June 1, 2010, as a special assistant in Minister Finley's office and became a policy advisor in that office in July 2011. He remained in that second position until his last day in office.

HRSDC was the department responsible for developing, managing and delivering social programs and services that affected Canadians. According to its website, HRSDC's legislative mandate included improving "the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile labour force and an efficient and inclusive labour market."

¹ In this report, because the period relevant to this examination is 2012 and 2013, I will refer to the department as the Department of Human Resources and Skills Development Canada (HRSDC).



One of the ways HRSDC supported a highly skilled and mobile labour force was through programs offering financial assistance to post-secondary education students.

In his written submission, Mr. Kosick wrote that as a policy advisor in the office of the Minister responsible for HRSDC, he was responsible for “liaising with key stakeholders in order to inform and/or consult on important policy initiatives within the Minister’s purview.” He told me that he considered the NACC, represented by Mr. Buy, to be a key stakeholder of HRSDC. He added that the important policy initiative in respect of which he liaised with Mr. Buy was the Canada Student Grants Program which he said was part of the post-secondary education policy file for which he was responsible in the Minister’s office. Mr. Kosick told me that HRSDC was responsible for administering and setting the eligibility criteria for the Program.

Mr. Buy, Flagship and the NACC

Federally incorporated in 2004, Flagship is a government relations and public affairs firm that offers services in three main areas: government relations, public relations and association management. According to its website, Flagship had approximately 50 clients in 2012. Mr. Buy told me that services in the government relations area include lobbying on behalf of clients and providing them with strategic advice; public relations consists of tailoring internal and external communications for clients; and association management involves either managing a specific aspect of a client association or the whole association.

Mr. Buy told me that, when he started Flagship, he had contacted the Office of the Commissioner of Lobbying. He understood that since Flagship was paid by its clients to lobby on their behalf, he had to register his lobbying activities in the federal Registry of Lobbyists as a lobbying consultant with Flagship.

Mr. Buy is a senior partner at Flagship. He also holds positions with several other organizations. He is the Chief Executive Officer of the NACC, the Canadian Ferry Operators Association and one other association that is not relevant for the purpose of this examination.

The NACC is a federally incorporated not-for-profit national association that lobbies the government on behalf of its members, consisting of approximately 500 career colleges (privately owned post-secondary institutions) across Canada, to achieve sector goals at the federal level.

In February 2010, the NACC retained Flagship under a government relations contract to provide the NACC with government relations services. At that time, Mr. Buy assumed the title of Director of Government Relations and Communications of the NACC. In December 2011, the NACC retained Flagship under a separate management services contract to manage the NACC.

Mr. Buy said that he is the Chief Executive Officer of the NACC as a fulfillment of this contract. He explained that the NACC pays Flagship for both government relations and management services pursuant to the contracts between the two organizations and that he is paid exclusively by Flagship both for his role as Chief Executive Officer of the NACC and his role as a lobbying consultant at Flagship.

Dealings between Mr. Kosick and Mr. Buy at HRSDC

According to the federal Registry of Lobbyists, Mr. Kosick was lobbied five times by Mr. Buy, who had registered the meetings as a lobbying consultant with Flagship on behalf of its client, the NACC.

Mr. Buy informed me that when Flagship was hired by the NACC in 2010 under a government relations contract, a top government relations priority for the NACC was to lobby HRSDC to change the eligibility requirements of the Canada Student Grants Program.

Mr. Kosick met with Mr. Buy on September 7, 2011; June 21, 2012; November 29, 2012; February 12, 2013; and March 13, 2013. Each meeting had been held at the request of Mr. Buy. The final three meetings were held during the year immediately before Mr. Kosick's last day in office.

Mr. Kosick and Mr. Buy both told me that the main purpose of the lobbying meetings was to discuss the NACC's interests and priorities with respect to the Canada Student Grants Program, notably the NACC's proposal to change the eligibility requirements of the Program.

At the time Mr. Buy was lobbying Mr. Kosick on behalf of the NACC, the Program's eligibility requirements for most grants stated that students had to be enrolled full-time in a program that was at least two academic years in duration (at least 60 weeks) at a designated post-secondary institution. The NACC's goal was to advocate in favour of lowering the minimum program length requirement so that more students enrolled in career colleges could be eligible for the grants. It appears that most programs offered by career colleges would not meet the requirement that they be at least two years in duration.

Mr. Kosick had first been introduced to Mr. Buy on September 7, 2011 when Mr. Kosick, as a policy advisor at HRSDC, had been asked by the Minister's chief of staff to attend a meeting with Mr. Buy. Mr. Buy told me it was important for him to lobby Mr. Kosick because he had been identified as his main contact in the Minister's office in respect of the Canada Student Grants Program's eligibility issue. They both said they had not known each other prior to that time.



Mr. Kosick told me that he remembered Mr. Buy representing himself as being from the NACC during his first meeting with Mr. Buy and added that for the remainder of their official dealings, Mr. Buy never presented himself as anything other than a representative of the NACC. Mr. Buy told me that he would likely have introduced himself by name and mentioned to Mr. Kosick that he represented the NACC and that he was a lobbyist.

Mr. Kosick told me that he did not typically check the federal Registry of Lobbyists for meetings that occurred in his office. When I showed him the lobbying registration, Mr. Kosick told me he was familiar with it. He also suggested to me that the information on the federal Registry of Lobbyists about his meetings with Mr. Buy as a lobbying consultant with Flagship was inaccurate because his view was that he had never met with a representative of Flagship. He said that all five lobbying meetings with Mr. Buy he had while a policy advisor were only with the NACC. Mr. Kosick added that, when he met with Mr. Buy as a policy advisor at HRSDC, he was unaware that Mr. Buy had his own company or any other roles and said that in his mind, Mr. Buy was uniquely the Chief Executive Officer of the NACC.

Mr. Kosick recalled receiving an NACC business card from Mr. Buy at one of the meetings and said that he never received a Flagship business card. Mr. Buy told me that he recalled giving Mr. Kosick his NACC business card with his name and his title of Director of Government Relations of the NACC on it because he said he was there in that role. Emails between Mr. Kosick and Mr. Buy showed that while Mr. Kosick was a policy advisor at HRSDC, Mr. Buy was corresponding with Mr. Kosick from an NACC email address.

Mr. Kosick wrote that, on November 29, 2012, Mr. Buy asked him about the possibility of a meeting between Minister Finley and the NACC's Board of Directors at a future date. Mr. Kosick told me that he had discussed Mr. Buy's meeting invitation with the Minister's chief of staff and recommended that the Minister meet with the NACC's Board.

On March 13, 2013, Minister Finley, the Minister's director of policy and Mr. Kosick met with three NACC Board members and Mr. Buy. Mr. Kosick wrote that the NACC's Board discussed its efforts to address skills shortages in cooperation with private sector employers. Mr. Buy wrote that the issue of expanding the eligibility requirements of the Canada Student Grants Program was also discussed.

Post-employment

Mr. Kosick's last day in office was July 15, 2013. On July 31, 2013, Mr. Buy sent an email to Mr. Kosick asking him if they could meet to discuss an employment opportunity for Mr. Kosick with the NACC. They met at a café in Ottawa on August 1, 2013. They both recalled that, although the primary purpose of the meeting was to discuss the job at the NACC, they had

also talked about Flagship. Mr. Kosick said that it was on August 1 that he understood that Mr. Buy had his own company, Flagship, and therefore he no longer just associated Mr. Buy with the NACC. He said that he understood at that time that Mr. Buy worked for both organizations.

Mr. Buy told me that because the café where they met was located directly between the NACC's office and Flagship's office, he had, at that meeting, pointed out Flagship's office to Mr. Kosick. Mr. Kosick recalled discussing an employment opportunity with Flagship, but could not recall the specifics of the discussion. He said they did not talk about the type of job he could potentially be doing for Flagship. Mr. Kosick could not recall if they had discussed the services Flagship provided its clients at the meeting, but believed they might have discussed this. He said that it was possible that he understood at that time that Flagship lobbied the government on behalf of its clients, but he said that he could not recall whether Mr. Buy had made him aware then in any kind of way that the NACC was a client of Flagship.

Mr. Kosick told me that he was mainly focused, during and following this meeting, on the job offer with the NACC. At that time, he informed Mr. Buy that prior to considering any employment offer with the NACC, he wanted to check with my Office to ensure that an employment offer from the NACC would be acceptable. He said that he was concerned about his post-employment obligations under the Act.

Mr. Kosick contacted my Office on August 2, 2013 to ask about the acceptability of the NACC employment offer made by Mr. Buy. My Office informed Mr. Kosick that, based on the information disclosed to my Office by him and a review by my Office of the federal Registry of Lobbyists and the number of registered lobbying activities, Mr. Kosick could not accept the offer of employment with the NACC.

Mr. Kosick told me that when he consulted my Office about the NACC employment offer, he did not recall mentioning Flagship. Mr. Kosick told me that he did not check the federal Registry of Lobbyists following the advice he received from my Office about the NACC employment offer.

On the same day, August 2, 2013, Mr. Kosick emailed Mr. Buy informing him that he could not accept the job with the NACC but added that he would be happy to discuss other options at Mr. Buy's convenience. Mr. Buy said that he understood that to mean other options with Flagship because they had previously talked about Flagship at their meeting the previous day. Mr. Kosick confirmed that that was what he meant.



Mr. Buy replied to Mr. Kosick's email on the same day indicating that he would send him a follow-up email "early next week" about an opportunity with his company.

Mr. Kosick said that he recalled following-up with Mr. Buy between August 2 and August 11 and he also recalled Mr. Buy telling him that he would let him know about the employment opportunity with Flagship.

On August 7, 2013, Mr. Kosick emailed my Office stating that he had declined the employment offer with the NACC. He made no mention of any discussions with Mr. Buy about Flagship.

In an email dated August 11, 2013, Mr. Kosick received a proposal from Mr. Buy for employment with Flagship under which Mr. Kosick would provide communications and strategic advice for some of Flagship's clients. The email also listed certain restrictions: notably, that Mr. Kosick would not lobby the federal government; that Mr. Kosick would not be introduced to any of Flagship's clients that were directly related to "asks" that Mr. Buy had made of Mr. Kosick while a policy advisor; and that Mr. Kosick would not work for the NACC. At the end of his email, Mr. Buy wrote that if Mr. Kosick was concerned, they could ask Mr. Buy's lawyers about the proposal.

Mr. Kosick told me that as of August 11, 2013, he understood that Flagship lobbied both the federal and provincial governments but he did not have a clear understanding that the NACC was one of Flagship's clients. He said that he understood that at that time there was a connection between the NACC and Flagship but that it was limited to Mr. Buy working for both companies. In response to a question I asked him, Mr. Kosick said that after he made the connection between Flagship and the NACC, he did not ask Mr. Buy whether he had lobbied him as a lobbying consultant with Flagship because he was not aware of the specific arrangement that Flagship had with the NACC.

On August 13, 2013, Mr. Kosick had a meeting with Mr. Buy and another senior partner at Flagship about the Flagship employment opportunity. Mr. Kosick recalled that they had discussed the work he would be doing in a communications role for one of Flagship's client associations, namely the Canadian Ferry Operators Association. Mr. Kosick explained that in his role as a senior communications officer at Flagship, his main duty and responsibility would be to assume the title and role of director of communications of the Canadian Ferry Operators Association but that his employment contract would be with Flagship and he would be paid by Flagship.

I asked Mr. Kosick whether the employment offer from Flagship, under which he would be paid and employed by Flagship but would assume the role and title of director of communications of the Canadian Ferry Operators Association, caused him to question whether Mr. Buy was under a similar arrangement when he was lobbying him at HRSDC. He told me it did not.

Mr. Kosick received a formal offer of employment from Mr. Buy to work at Flagship on August 16, 2013. The employment offer stated that no federal lobbying work would be requested of him nor any work on any file that Mr. Kosick had previously been involved in. Mr. Kosick signed his employment contract with Flagship on August 19, 2013, the same day he started working for Flagship.

In his written submission, Mr. Kosick wrote that he had not checked with my Office about the Flagship employment offer. This information is consistent with my records. When I asked him why he did not communicate with my Office in respect of the Flagship employment offer, Mr. Kosick told me that the employment offer didn't raise any concerns for him. Mr. Kosick said he understood he wouldn't be doing any work for the NACC and he would not be occupying a lobbying job at Flagship. He added that he believed that Mr. Buy had written about concerns and the possibility of consulting lawyers in respect of the Flagship proposal to reassure him because he had previously demonstrated concerns about the NACC job offer.

Mr. Kosick said that the reason why he was not concerned about the Flagship employment offer coming from the same individual, Mr. Buy, with whom he had had direct and official dealings and from whom he had received the employment offer from the NACC, is because he believed that Mr. Buy had separate and distinct roles.

Mr. Kosick told me that he started to understand that a deeper connection existed between the NACC and Flagship only after he started working at Flagship. He said that he noticed that some of his Flagship coworkers were providing services to the NACC. He told me that he did not make the connection that Mr. Buy had lobbied him at HRSDC as a representative of Flagship until my Office contacted him with my concerns regarding his post-employment obligations in January 2015.





MR. KOSICK'S POSITION

Mr. Kosick's position is that he did not contravene subsection 35(1) of the *Conflict of Interest Act* (Act) because he did not accept employment with an entity with which he had direct and significant official dealings during the period of one year immediately before his last day in office.

In his written submission, Mr. Kosick maintained that the meetings he attended on November 29, 2012, February 12, 2013, and March 13, 2013 were with the National Association of Career Colleges (NACC) and not with Flagship Solution Inc. (Flagship). He suggested that the meetings had been requested and subsequently attended by Mr. Serge Buy in the latter's capacity as the Chief Executive Officer of the NACC. He wrote that at no time before, during, or after the meetings in question did Mr. Buy mention that he was a senior partner with Flagship.

Mr. Kosick also wrote that he had shown good faith in the course of seeking employment after his time in public office by contacting my Office with respect to the NACC employment offer and by ultimately declining it following the advice he had received.

In support of his position, Mr. Kosick argued that it is unclear how Mr. Buy could have simultaneously attended these meetings as both the NACC's Chief Executive Officer and as a third-party representative for that same organization. Mr. Kosick added that receiving the advice from my Office that his potential employment with the NACC would be in contravention of the Act further supported his position that his dealings on the dates specified were with the NACC and not with Flagship.

Mr. Kosick wrote that he did not contact my Office with respect to the Flagship offer of employment because he did not meet with that organization during his time in public office.





ANALYSIS AND CONCLUSIONS

Analysis

In this examination, I had to determine whether Mr. Daniel Kosick contravened subsection 35(1) of the *Conflict of Interest Act* (Act) when he accepted an offer of employment with Flagship Solutions Inc. (Flagship) during the year following his last day in office, which was on July 15, 2013.

All former public office holders are subject to certain post-employment obligations set out in Part 3 of the Act.

Pursuant to subsection 35(1) of the Act, a former reporting public office holder is prohibited from accepting an offer of employment with an entity with which the former reporting public office holder had direct and significant official dealings during the period of one year immediately before his or her last day in office. This prohibition applies for a period of one year following the former reporting public office holder's last day in office. This period is set out in subsection 36(1) of the Act.

Subsections 35(1) and 36(1) of the Act read as follows:

35. (1) *No former reporting public office holder shall enter into a contract of service with, accept an appointment to a board of directors of, or accept an offer of employment with, an entity with which he or she had direct and significant official dealings during the period of one year immediately before his or her last day in office.*

[. . .]

36. (1) *With respect to all former reporting public office holders except former ministers of the Crown and former ministers of state, the prohibitions set out in subsections 35(1) and (2) apply for the period of one year following the former reporting public office holder's last day in office.*

Determining whether a former reporting public office holder had direct and significant official dealings with an entity in the last year of his employment is a question of fact based on the circumstances of each case.

The facts clearly show that, Mr. Kosick's interactions with Mr. Buy at HRSDC were direct and significant official dealings.



During the year immediately before Mr. Kosick's last day in office, there was personal contact between him and Mr. Buy in the form of three lobbying meetings. According to the federal Registry of Lobbyists, Mr. Buy met with Mr. Kosick as a representative of Flagship which in turn was representing the NACC. The main purpose of those interactions was to lobby for changes to the eligibility requirements of the Canada Student Grants Program, which was one of NACC's top lobbying priorities and had been since 2010.

Mr. Kosick's position is that these dealings were with the NACC, not Flagship, because he is of the view that Mr. Buy's only role at the meetings was as chief executive officer of the NACC.

The evidence shows that Mr. Buy was, when he lobbied Mr. Kosick, working for and being paid by Flagship, and he lobbied Mr. Kosick pursuant to a government relations contract between the NACC and Flagship. Mr. Buy testified that he is the Chief Executive Officer of the NACC pursuant to a separate management services contract that the NACC signed with Flagship and that he is paid by Flagship for that role.

Mr. Kosick's assertion that the dealings were not with Flagship is clearly incorrect. The information that it was Flagship that was lobbying HRSDC was available on the federal Registry of Lobbyists. I would have expected Mr. Kosick, as a policy advisor, to have become aware of this at some point.

I did, however, find that Mr. Kosick's position that, at the time of the meetings, he believed he was meeting with the chief executive officer of the NACC and not Flagship, to be reasonably believable. Mr. Buy's emails to Mr. Kosick were sent from an NACC email account, the titles Mr. Buy used during his lobbying interactions with Mr. Kosick were with the NACC and the business card Mr. Buy provided to Mr. Kosick was his NACC business card. Furthermore, during my interview with him, Mr. Buy's testimony seemed to suggest he saw himself as being at those meetings in his role as chief executive officer of the NACC.

It may well be that Mr. Kosick did not understand that he was being lobbied by Flagship when the lobbying was actually taking place. However, I must also consider what his understanding must have been up to the time that he accepted the offer.

On August 2, 2013, several weeks after he had left office, Mr. Kosick would have had sufficient information to question whether he had had direct dealings with Flagship during his last year in office. On that date, Mr. Kosick said he understood that Mr. Buy had his own company, Flagship, and therefore no longer just associated Mr. Buy with the NACC. He also said it was possible he understood at that time that Flagship lobbied the government on behalf of its clients.

On August 11, 2013, Mr. Kosick certainly knew that Flagship lobbied the federal government. Mr. Buy's August 11, 2013 email to Mr. Kosick detailed three restrictions in writing for Mr. Kosick, should he accept employment with Flagship. These restrictions set out that Mr. Kosick would not lobby the federal government; that Mr. Kosick would not be introduced to any of Flagship's clients directly related to "asks" that Mr. Buy had made of Mr. Kosick while a policy advisor at HRSDC; and that Mr. Kosick would not work for the NACC.

In this email, Mr. Buy also wrote that if Mr. Kosick was concerned about the employment proposal and his obligations under the Act, they could always consult Mr. Buy's lawyers. All of these signals should have caused Mr. Kosick to question whether his interactions with Mr. Buy at HRSDC might result in a post-employment obligation in relation to the new offer for employment with Flagship.

Furthermore, the employment offer Mr. Buy sent Mr. Kosick on August 16, 2013 contained a paragraph setting out that no federal lobbying work would be requested of Mr. Kosick nor any work on any file that Mr. Kosick had previously been involved in. Mr. Kosick should have deduced from these statements that there may be an issue with respect to his acceptance of this offer. Advice from my Office should have been sought, but it was not.

Mr. Kosick said he was aware of the federal Registry of Lobbyists, although he said he did not think to consult it prior to accepting the offer from Mr. Buy to work for Flagship. Had he consulted the Registry, he would have seen that his direct and significant official dealings with Mr. Buy had been registered as having taken place with Flagship on behalf of the NACC during the year immediately before his last day in office.

It is clear that Mr. Kosick was also aware that he had some post-employment obligations under the Act, having sought advice from my Office on August 2, 2013 about the acceptability of the NACC employment offer from Mr. Buy and having been told he must decline it. It is difficult to understand why, after checking with my Office on the NACC offer, he would not have checked on the Flagship offer before accepting it in light of the fact that it was made by the same person who had made the NACC offer.

Mr. Kosick stated as fact in his position statement that the federal Registry of Lobbyists contained information that was clearly incorrect. In my view, this position is surprising and not tenable.

While it is possible that Mr. Kosick did not realize that he was being lobbied by Flagship at the time of the lobbying, it is less credible that he did not recognize the situation in the last days



before Mr. Buy's offer of employment with Flagship. He had enough information then to determine the nature of the interrelationship between the NACC and Flagship and should have been alerted to the likelihood that Flagship had lobbied him on behalf of the NACC.

Conclusion

Based on the information above, I have determined that Mr. Kosick clearly had direct and significant official dealings with both Flagship and the entity it was representing, the NACC, in the year immediately before his last day in office and should have realized this before accepting the offer with Flagship.

I have therefore concluded that by accepting the offer of employment with Flagship during his "cooling-off" period, Mr. Kosick contravened subsection 35(1) of the Act.



SCHEDULE: List of Witnesses and Written Submissions

The names of all individuals listed below are according to the organizations to which they belonged at the time the events that are the subject of this examination occurred.

Interview and Written Submission:

1. Mr. Serge Buy

Senior Partner, Flagship Solutions Inc.

Interview:

2. Ms. Adria Minsky

Director of Policy, Office of the Honourable Diane Finley, P.C., M.P., then Minister responsible for Human Resources and Skills Development

