



## The Paradis Report

made under the  
*CONFLICT OF INTEREST ACT*

and the

*CONFLICT OF INTEREST CODE FOR  
MEMBERS OF THE HOUSE OF COMMONS*



December 3, 2013

Mary Dawson  
Conflict of Interest and  
Ethics Commissioner

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## **PREFACE**

The *Conflict of Interest Act*, S.C. 2006, c. 9, s. 2 (Act) came into force on July 9, 2007. The *Conflict of Interest Code for Members of the House of Commons* (Code), which constitutes Appendix 1 of the *Standing Orders of the House of Commons*, came into force on October 4, 2004 and was amended in 2007, 2008 and 2009.

This report is issued pursuant to both the Act and the Code.

### **The Act**

An examination under the Act may be initiated at the request of a member of the Senate or House of Commons pursuant to subsection 44(1) or on the initiative of the Conflict of Interest and Ethics Commissioner pursuant to subsection 45(1) of the Act.

As set out in subsection 44(3) of the Act, unless the Commissioner determines that the matter described in the request is frivolous or vexatious or is made in bad faith, the Commissioner is required to examine the matter. Subsection 44(7) requires that the Commissioner provide a report to the Prime Minister setting out the facts in question as well as the Commissioner's analysis and conclusions in relation to the examination. Subsection 44(8) requires that, at the same time as a report is provided to the Prime Minister, a copy of the report also be provided to the Member who made the request and the current or former public office holder who is the subject of the report, and that it be made available to the public.

### **The Code**

Under section 27 of the Code, a request for an inquiry may be made by a Member of the House of Commons who has reasonable grounds to believe that another Member has not complied with his or her obligations under the Code.

The Conflict of Interest and Ethics Commissioner is required to forward the request to the Member who is the subject of the request and to afford the Member 30 days to respond. Once the Member has completed his or her response, the Commissioner has 15 working days to conduct a preliminary review of the request and the response and to notify both Members in writing of the Commissioner's decision as to whether an inquiry is warranted. Inquiries must be conducted in private.

Following the completion of an inquiry, a report is to be provided to the Speaker of the House of Commons who tables it in the House of Commons when it next sits. The report is made available to the public once it is tabled or, if the House is not then sitting, upon its receipt by the Speaker.



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## EXECUTIVE SUMMARY

This report presents the findings of my examination under the *Conflict of Interest Act* and of my inquiry under the *Conflict of Interest Code for Members of the House of Commons* relating to the conduct of the Honourable Christian Paradis, Member of Parliament for Mégantic–L'Érable, in connection with representations he made to the then Minister of Human Resources and Skills Development, the Honourable Diane Finley, when he was Minister of Natural Resources and Regional Minister for the province of Quebec.

I received a request to examine Mr. Paradis' conduct under the Act based on a media report in February 2012 stating that Mr. Paradis had made representations to Ms. Finley to have an employment insurance centre moved from Rimouski to Thetford Mines, and into a building owned by a company whose principal shareholder, Mr. Ghislain Dionne, was an associate of Mr. Paradis' family. It was alleged in the request that Mr. Dionne was also a friend of Mr. Paradis. I decided it was appropriate to investigate his actions under the Code as well as the Act.

Thetford Mines has long had a Service Canada centre. Since 2008, the centre has been housed under a ten-year lease with Public Works and Government Services Canada, in a building owned by a company, 9183-0497 Québec Inc., of which Mr. Dionne is president and a one-third shareholder.

In 2008, the Department of Human Resources and Skills Development established a plan to consolidate the employment insurance claims processing function into significantly fewer Service Canada centres. Mr. Paradis was approached in 2010 by constituents who were concerned that this reorganization might lead to the closure of Thetford Mines' Service Canada centre, and result in the loss of jobs to the region. The constituents who approached Mr. Paradis did not include Mr. Dionne or any other representatives of 9183-0497 Québec Inc.

In late winter or early spring 2011, Mr. Paradis approached Ms. Finley informally in the House of Commons in order to represent his constituents' concerns. He sought to make her aware that Thetford Mines was already operating a Service Canada centre and had the capacity to host a consolidated processing centre. There was no evidence that he mentioned Rimouski to Ms. Finley.

There was no evidence that Mr. Paradis discussed the consolidation process with Mr. Dionne or mentioned the company's building to Ms. Finley. The decision as to what premises the consolidated claims processing centres would occupy did not rest with Ms. Finley's department but with Public Works. Mr. Paradis did not contact anyone at Public Works



about the matter and there was no evidence that he had any other involvement in the consolidation process.

I analyzed Mr. Paradis' conduct under sections 8 and 9 of the Code.

Section 8 prohibits Members, when performing parliamentary duties and functions, from acting in any way to improperly further another person's or entity's private interests. Section 9 states that no Member shall use his or her position to influence a decision of another person for the same purposes.

In analyzing Mr. Paradis' conduct under section 8 of the Code, I determined that there is a close personal and professional relationship between Mr. Paradis and Mr. Dionne and that Mr. Dionne had a private interest in the Service Canada centre in Thetford Mines. I took into account section 5, which provides that Members do not contravene their obligations under the Code if their activities are ones they normally and properly engage in on behalf of constituents. I underlined, however, that section 5 does not automatically override the Code's rules of conduct.

I determined that the concerns of Mr. Paradis' constituents represented a legitimate issue of significant public interest and importance to the people of Thetford Mines and, although there was a possibility that his intervention could result in furthering the private interests of Mr. Dionne, this intervention was not improper in the circumstances of this case. For these reasons, I found that Mr. Paradis did not contravene section 8 or 9 of the Code.

I also investigated Mr. Paradis' conduct under subsection 6(1) and section 9 of the Act.

Subsection 6(1) prohibits public office holders from making or participating in making a decision related to the exercise of their official powers, duties or functions that would place them in a conflict of interest. There was no evidence that Mr. Paradis made, or participated in the making of, a decision as either Minister of Natural Resources or Regional Minister for the province of Quebec in connection with the consolidation of the processing function performed by Service Canada. I found, therefore, that he did not contravene subsection 6(1).

Section 9 of the Act prohibits public office holders from using their position to seek to influence a decision of another person so as to further the private interests of their friends. I determined that Mr. Paradis and Mr. Dionne were friends within the meaning of the Act. I then had to determine whether, in making his representations to Ms. Finley, Mr. Paradis used his position as minister to seek to influence her decision so as to further the private interests of his friend, Mr. Dionne. In making my determination, I noted that when a minister raises a

constituency matter with an institution or a representative of the federal government, particularly with a cabinet colleague, he or she will be recognized as a minister and any influence will be due in part to that recognition.

I considered subsection 64(1) of the Act, which recognizes that ministers may engage in activities that they would normally carry out as Members of Parliament. This provision is similar to section 5 of the Code, referred to above. In my view, the instances in which a Member who is also a minister can benefit from considerations under subsection 64(1) are significantly more limited in scope than they are under the Code for Members. This is because of the special influence a minister may have.

I determined that, in the particular circumstances of this case, the more stringent requirements for a minister were met. I took into account the following factors: it was reasonable for Mr. Paradis to make representations to address legitimate concerns about an issue of broad interest to the constituents of Thetford Mines; it was unclear whether and to what extent the decision of Ms. Finley and her department would have an impact on the Service Canada centre in Thetford Mines, and thereby on the private interests of Mr. Dionne; there was no evidence that Mr. Paradis and Mr. Dionne had discussed the consolidation or that Mr. Paradis had mentioned the building to Ms. Finley; and Mr. Paradis' representations were made informally in the House of Commons, where Members often raise similar issues with ministers.

Even though there was a possibility that Mr. Paradis' intervention with Ms. Finley could result in furthering the private interests of Mr. Dionne, I found, having considered the factors described above, that Mr. Paradis did not contravene section 9 of the Act.



## REQUEST

On February 24, 2012, Mr. Guy Caron, Member of Parliament for Rimouski-Neigette–Témiscouata–Les Basques, sent me a letter requesting that I conduct an examination into an alleged contravention of the *Conflict of Interest Act* (Act) by the Honourable Christian Paradis while he was Minister of Natural Resources. Mr. Caron referred to an article in *La Presse* stating that Mr. Paradis had made representations to the Honourable Diane Finley, then Minister of Human Resources and Skills Development, aimed at having an employment insurance centre in Rimouski moved to Thetford Mines and into a building owned by an associate of his family.

Mr. Caron wrote that the article stated that the new centre would be located in a building owned by 9183-0497 Québec Inc., whose principal shareholder was lawyer and businessman Mr. Ghislain Dionne, a partner of Mr. Paradis' father in the law firm Paradis Dionne. Mr. Caron referred to Mr. Dionne as an associate of Mr. Paradis' family and suggested that Mr. Dionne was a friend of Mr. Paradis.

Mr. Caron noted that Mr. Paradis was quoted in the *La Presse* article as saying: "I made representations to the minister [Diane Finley]. We have a nice centre that is well situated and we received positive recommendations from the Department. We showed that we have a quality centre, with quality staff. It's wonderful news for the region." [translation]

Mr. Caron stated that he believed Mr. Paradis had contravened sections 4, 7 and 9 and subsection 6(1) of the Act.

Section 4 sets out the circumstances under which a public office holder is in a conflict of interest. Subsection 6(1) provides that no public office holder shall make a decision that could place him or her in a conflict of interest. Section 7 deals with preferential treatment. Section 9 prohibits a public office holder from using his or her position as a public office holder to seek to influence a decision of another person so as to further the public office holder's private interests or those of the public office holder's relatives or friends or to improperly further another person's private interests.

## PROCESS

I determined that Mr. Caron had set out his reasonable grounds to believe that Mr. Paradis had contravened subsection 6(1) and section 9 of the *Conflict of Interest Act* (Act). I therefore determined that his letter constituted a valid request for an examination under section 44 of the Act.

Although section 4 defines situations in which a public office holder would be in a conflict of interest, it does not set out a specific rule of conduct. As for section 7, Mr. Caron's request did not provide any evidence to support the allegation that Mr. Paradis had extended preferential treatment to Mr. Dionne.

In addition, I had concerns about Mr. Paradis' obligations under sections 8 and 9 of the *Conflict of Interest Code for Members of the House of Commons* (Code). Section 8 prohibits Members, when performing parliamentary duties and functions, from acting in any way to further their private interests or those of their family members, or to improperly further the private interests of another person or entity. Section 9 states that no Member shall use his or her position to influence a decision of another person for any of those same purposes.

On February 29, 2012, I wrote a letter to Mr. Paradis informing him of Mr. Caron's request and notifying him that I would be conducting an examination under the Act. I told him that the applicable provisions of the Act were subsection 6(1) and section 9, as cited by Mr. Caron in his letter. I asked Mr. Paradis to respond in writing to the allegations by March 30, 2012.

In the same letter, I indicated to Mr. Paradis that I also had concerns about his compliance with his obligations under sections 8 and 9 of the Code. I asked him to respond to these concerns by the same date.

At that time, I also wrote Mr. Caron to inform him that his request for an examination under the Act met the requirements under subsection 44(2) with respect to subsection 6(1) and section 9 of the Act, that I was undertaking an examination under subsection 44(3) and that I had forwarded his request for an examination to Mr. Paradis.

After asking for and obtaining an extension, Mr. Paradis provided me with his response letter on April 13, 2012. Over the course of my investigation I received several additional written submissions from Mr. Paradis' counsel, Mr. Paul Lepsoe.

In light of the concerns communicated in my letter of February 29, 2012, I also decided to conduct an inquiry under the Code.



Usually, I conduct an initial interview with the subject of an examination or inquiry at the start of the fact-finding process and follow it up with another interview towards the end. However, in this case, Mr. Paradis and I were in agreement that a single interview held towards the end of the fact-finding process would suffice.

On October 2, 2013, after interviewing or receiving written submissions from all other witnesses, I interviewed Mr. Paradis. Prior to this interview, Mr. Paradis had the opportunity to review excerpts from transcripts of witness interviews and other relevant documents.

My Office interviewed a total of 11 witnesses, some of whom also provided documentary evidence. The Schedule includes a complete list of witnesses.

In keeping with my usual practice, I provided Mr. Paradis with the opportunity to comment on a partial draft of this report before it was finalized, namely the sections entitled Request, Process, Findings of Fact and Mr. Paradis' Position.



## FINDINGS OF FACT

The Honourable Christian Paradis is the Member of Parliament for Mégantic–L'Érable, and has held various cabinet positions since he was first elected in 2006. As a Member he is subject to the *Conflict of Interest Code for Members of the House of Commons* (Code) and as a minister he is subject to the *Conflict of Interest Act* (Act).

Mr. Paradis' riding includes the city of Thetford Mines, where a Service Canada centre or its predecessor has been located for many decades. Media reports from February and March 2012 stated that in 2011 Mr. Paradis had made representations to the Honourable Diane Finley, then Minister of Human Resources and Skills Development, in favour of moving an employment insurance centre in Rimouski to Thetford Mines into a building owned by an associate of Mr. Paradis' family. It was reported that the building was owned by 9183-0497 Québec Inc. (the company), whose principal shareholder was Mr. Ghislain Dionne, a partner of Mr. Paradis' father in the law firm Paradis Dionne.

Mr. Paradis was Minister of Natural Resources from January 19, 2010 until May 18, 2011, when he was appointed Minister of Industry. He was Regional Minister for the province of Quebec throughout the period under investigation.

The purpose of this inquiry and examination was to determine whether Mr. Paradis contravened the Code or the Act in making his representations to Ms. Finley.

With respect to the Code, I had to determine whether, in making the representations, Mr. Paradis was performing parliamentary duties or functions and, if so, whether he had acted in any way to further the private interests of the company and, thereby, to improperly further the private interests of Mr. Dionne in contravention of section 8. I also had to determine whether he had used his position as a Member to influence a decision of Ms. Finley so as to improperly further the private interests of Mr. Dionne in contravention of section 9.

With respect to the Act, I had to determine whether Mr. Paradis had made a decision or participated in making a decision related to the exercise of an official power, duty or function that would place him in a conflict of interest in contravention of subsection 6(1). A conflict of interest, as described in section 4, would arise if the official power, duty or function provided an opportunity to further the private interests of a relative or friend or to improperly further the private interests of another person. I also had to determine whether Mr. Paradis had used his position as a minister to seek to influence a decision of Ms. Finley so as to further the private interests of a friend or to improperly further the private interests of another person, in contravention of section 9.



In order to make the determinations referred to above, I had to understand the nature of the relationship between Mr. Paradis and Mr. Dionne and to determine whether Mr. Dionne and the company had relevant private interests and whether Mr. Paradis was aware of those private interests when he made his representations to Ms. Finley. I also had to identify the nature of the representations made to Ms. Finley and the circumstances in which they were made, as well as to determine whether Mr. Paradis had been involved in this matter in any other way.

## **Background**

### ***Consolidation of Employment Insurance Processing within Service Canada Centres***

On August 19, 2011, as part of a government-wide strategic review, the Department of Human Resources and Skills Development (Department), as it was then called, announced that the number of Service Canada centres processing employment insurance claims would be reduced from 120 to 22 across Canada. The August 19 announcement indicated that no existing Service Canada centres would be closed, but the claims processing functions would be consolidated in those 22 centres.

The Department had been working for some time on finding efficiencies in the way it processed employment insurance claims, including through the consolidation of this function in a smaller number of centres. In 2008 it established a plan to consolidate the processing of employment insurance claims into significantly fewer offices. In Quebec, the plan was to consolidate these functions into six centres: Boucherville, Jonquière, Laval, Québec, Rimouski and Shawinigan. A departmental official explained to my Office that, at that time, the plan was to reduce processing staff in other centres through attrition.

In 2010 the Department was directed to review a number of options for finding additional efficiencies. Ms. Finley was given this mandate by Cabinet. The options included moving existing positions to consolidated centres within a shorter timeframe. This process culminated in the announcement of August 19, 2011 referred to above.

Mr. Paradis was informed in a letter from Ms. Finley dated August 17, 2011 that the Service Canada centre in Thetford Mines would be one of the 22 consolidated centres. The letter stated that it was projected that the number of employees processing employment insurance claims in the Thetford Mines centre would increase from 17 to 75.

### ***Mr. Paradis' Relationship with Mr. Dionne***

Mr. Dionne has been practising law since 1983 and has been a partner of Mr. Paradis' father in the law firm of Paradis Dionne since 1997. Mr. Paradis himself practised law in that firm for about 10 years before his election to the House of Commons in January 2006. In the year prior to

the 2006 election, Mr. Dionne and Mr. Paradis' father incorporated the firm in anticipation of bringing Mr. Paradis in as a third partner. However, because Mr. Paradis became a Member of Parliament, these plans never materialized.

Mr. Dionne said he considers both Mr. Paradis and Mr. Paradis' father to be his friends. He has known Christian Paradis for many years and lives a few doors away from him. Mr. Dionne said that the two would occasionally play golf together in a work-related context and that he had had dinner at Mr. Paradis' home a couple of times. Mr. Dionne said that since Mr. Paradis' election he has seen him less frequently, and typically in the context of large social or political events.

Mr. Paradis confirmed that he worked in the Paradis Dionne law firm from 1997 until his election in 2006 and said that he has known Mr. Dionne since the early 1980s. He said that, prior to 2006, he would occasionally see Mr. Dionne socially. They had played golf together and had been to each other's homes. Mr. Paradis added that most of these social activities were related to their work. Mr. Paradis said that he has not seen Mr. Dionne much since becoming a Member of Parliament.

Mr. Paradis said his relationship with Mr. Dionne is friendly, but he did not describe him as a personal friend. Mr. Paradis noted that Mr. Dionne was some 15 years older than him and not among his immediate circle of friends.

### ***9183-0497 Québec Inc. and the Lease with Public Works and Government Services Canada***

Mr. Dionne is a one-third shareholder of 9183-0497 Québec Inc. (the company), and also serves as president of that company. The other two shareholders in the company are Mr. Hugo Gosselin and Les Placements A.A.A. Inc., owned by Mr. André Gagnon. Mr. Gagnon is vice-president and Mr. Gosselin is secretary-treasurer. Based on the information provided to my Office, I am satisfied that there are no significant ties between Mr. Paradis and the other two shareholders in the company.

The company owns the building at 350 Frontenac Boulevard West in Thetford Mines that currently houses that city's Service Canada centre. The centre was moved to that location from another location in Thetford Mines in 2008, as a result of a public request for information on the availability of office space for rent in that city, issued by Public Works and Government Services Canada (Public Works) in 2007.

A ten-year lease, beginning on September 1, 2008, was signed on May 23, 2008 and will expire on August 31, 2018. Mr. Paradis told me that it was not until 2008, after the leasing process had been completed, that he first learned that Mr. Dionne had an interest in the building



and that the Service Canada centre in Thetford Mines would be moved there. He said that Mr. Dionne's ownership interest in the building became well known in Thetford Mines at that time. Mr. Paradis told me, however, that he was not aware of the terms and conditions of the lease agreement between the company and Public Works.

Mr. Dionne told my Office that he did not know until September 2011 that the government was planning to consolidate the processing of employment insurance claims among its Service Canada centres. He said that he heard about the plan from a reporter, who called to ask him questions about his relationship with Mr. Paradis. Both Mr. Dionne and Mr. Paradis said that they had never discussed with each other either the consolidation process or its potential impact on the Service Canada centre in Thetford Mines.

Mr. Dionne told my Office that he was pleased when he first heard about the consolidation because he assumed this would require the federal government to lease additional office space in the existing Service Canada centre in Thetford Mines. However, he told my Office that he subsequently discovered that there would not be an expansion of the space leased for Service Canada and that any additional staff would be accommodated within the existing space. He said that the only impact would be higher costs for the company due to increased consumption of electricity.

## **Mr. Paradis' Representations to Ms. Finley**

### ***Concerns of Constituents***

Mr. Paradis told me that in the summer of 2010, he was approached by several constituents who had heard rumours about a possible closure of the Service Canada centre in Thetford Mines.

Mr. Paradis said that he believes that union representatives and employees from the Thetford Mines Service Canada centre had also contacted his constituency office to share employee concerns about the anticipated impact of a planned reorganization by the Department of Human Resources and Skills Development. An internal departmental email dated September 3, 2010 also indicates that the Department was aware that a union representative had spoken with Mr. Paradis' office, raising concerns of a possible reorganization.

Mr. Paradis told me that constituents have often expressed concerns that Thetford Mines is viewed by the federal government as a second-class city and that it is often overlooked in favour of larger centres. He said many people assume that Thetford Mines has limited infrastructure and an unskilled, unilingual workforce. He said that these assumptions are completely false and the persistence of them is a constant source of frustration for him and his constituents.

Mr. Paradis' chief of staff, Mr. Marc Vallières, who is also from Thetford Mines and had worked at its Service Canada centre in the past, told my Office that he was also approached by some of Mr. Paradis' constituents about rumours that the centre in Thetford Mines would be closing. Mr. Vallières said he had discussed these rumours with Mr. Paradis.

Mr. Paradis told me that the rumours spread throughout his riding in the winter of 2010-11. He said that during that time he was approached about the matter by the current and former mayors of Thetford Mines. He said that he felt the need, as the local Member of Parliament, to address the concerns of his constituents, and that is why he wanted to raise the matter with Ms. Finley. He wanted to be able to tell his constituents that he had done his duty as a Member of Parliament, even though he was well aware that the ultimate decision would be taken by the Department as part of its internal deliberations. He said that it was expected by his constituents that he would do this.

### ***Representations***

Mr. Paradis told me that he approached Ms. Finley, then Minister of Human Resources and Skills Development, informally in the late winter or early spring of 2011 in the House of Commons. He added that government and opposition Members of Parliament regularly speak with each other informally in and around the House of Commons and that he himself had often been approached by Members from all parties raising various issues related to his ministerial positions.

Mr. Paradis indicated that he and Ms. Finley talked very briefly either before or after Question Period. Mr. Paradis stated that the purpose of his representations to Ms. Finley was to make her aware of the fact that the region of Thetford Mines was already operating a Service Canada centre and that Thetford Mines had the resources necessary to be considered on an equal basis with other centres in Quebec during the consolidation process. He did so in order to fulfill his duty as a Member in representing the concerns of his constituents and to be able to tell them that he had done so.

Mr. Paradis told me that he told Ms. Finley that he and his staff were hearing rumours that the Thetford Mines Service Canada centre would be closing. He said he wanted the city to be considered on an equal basis with other areas in Quebec.

Mr. Paradis told me that he spoke to Ms. Finley in his capacity as the local Member of Parliament and that he did not mention any specific building. Rather, his goal was to express support for the municipality in which the centre was located. He said that Ms. Finley responded only that she would look into the situation.



Ms. Finley confirmed in her interview with me that Mr. Paradis approached her about the matter in early spring 2011, in his capacity as the Member of Parliament for Mégantic–L'Érable, to advocate for his constituency. Like Mr. Paradis, she told me that there was never any discussion of the building in which the Thetford Mines Service Canada centre was located.

She said that Mr. Paradis did not ask her for anything specific and that she did not take any action as a result of Mr. Paradis' representations, apart from possibly mentioning this discussion to her ministerial staff.

In his request, Mr. Caron alleged that Mr. Paradis made his representations to Ms. Finley with the aim of having a Service Canada centre in Rimouski moved to Thetford Mines, into the building owned by 9183-0497 Québec Inc. There was no evidence that Mr. Paradis made any reference to Rimouski during his representations to Ms. Finley.

Both Mr. Paradis and Ms. Finley told me that this was the only communication they had with each other on the Service Canada consolidation.

Mr. Paradis told me that this was the full extent of his involvement with this matter, and I found no evidence to the contrary. He added that, even though Thetford Mines had ultimately been selected to host a consolidated claims processing centre, it was by no means certain that the centre would be located in the same building. He pointed out that it would be up to a different department, Public Works and Government Services, to decide whether the existing building could accommodate the requirements identified by the Department of Human Resources and Skills Development. He said that at no time did he contact anyone at Public Works and Government Services with respect to this matter.

Mr. Paradis told me he always understood that the decision about which communities would be selected for the consolidated centres would be separate from the decision about which building(s) in those communities would house them. In support of this, he provided me with a printout from a Facebook exchange he had with a constituent in late August 2011, shortly after it became known that Thetford Mines had been selected as a consolidated centre. In the exchange his constituent asks Mr. Paradis if there would be a tendering process and noted that he had superb office space under construction. In reply, Mr. Paradis wrote that he did not know for the moment, as that would be determined under a subsequent administrative process.

Mr. Paradis also provided my Office with excerpts from statements made by Ms. Finley in the House of Commons on March 1, 2012, relating to the impacts of the consolidation process in Thetford Mines. She stated: "No decision was made about the new offices in Thetford Mines

during the consolidation of employment insurance activities. These decisions were made by Public Works employees as part of a clear, transparent and fair process.”

### **Service Canada Centre Consolidation Process**

As noted above, the Department had been working on a consolidation of the employment insurance claim processing function for some time, first through attrition and then, in 2010, within a shorter timeline. Discussions between the Department and the minister’s office took place throughout 2010 and, as the planning progressed, intensified in early 2011.

On June 16, 2011, the Department presented the minister’s office with a list of communities recommended by its various regional branches across Canada where the consolidated employment insurance processing centres might be located. For Quebec, the list was made up of five communities, namely Boucherville, Jonquière, Laval, Québec City and Shawinigan. At that time, neither Rimouski nor Thetford Mines was included on the list.

After the list of communities recommended for a consolidated centre was put forward by the Department on June 16, 2011, staff from Ms. Finley’s ministerial office conducted its own assessment and produced a new list of proposed sites across Canada. Ms. Finley told me that she was not personally involved in preparing or approving this list. However, she said that her staff normally take into consideration factors that the Department does not. She cited, for example, the importance of achieving an urban-rural balance, a factor to which she believes the Department to be less sensitive.

The new list produced by Ms. Finley’s staff included only three communities for Quebec: Boucherville, Québec City and Thetford Mines. Boucherville and Québec City are two of the largest centres in the province. According to the staff member from Ms. Finley’s office who prepared the list, Thetford Mines was added for two specific reasons. The first was its location in a rural area but close to the major centres of Montréal and Québec City. The second was that it fit in with a general government initiative to diversify that region’s economy, and this was confirmed by Ms. Finley during her interview with me. The minister’s office suggested adding 50 jobs to the Thetford Mines centre for the consolidation.

The list prepared at that time in the minister’s office also made changes to the Department’s recommendations in other provinces. Each proposed change was accompanied by a set of reasons. Although this was not cited among the reasons given for the changes, I note that the nine centres that were removed from the Canada-wide list that had been put forward by the Department on June 16, 2011 were located in ridings held by an opposition Member. The seven communities that were added to that list were each located in a riding held by a government



Member. This suggests that partisan considerations were also at play as Ms. Finley's office reviewed the Department's recommendations and prepared its alternative proposal for reconsideration by the Department.

In the days that followed, the new Canada-wide list prepared in the minister's office was sent to the Department. With respect to Quebec, departmental officials conducted a feasibility assessment of the proposed three-centre scenario. One of the scenarios considered by the Department was increasing the number of positions in Thetford Mines from the current number of 17 to 225. The analysis by the Department identified a number of difficulties with this option, in particular the difficulty in recruiting from a small population base and the delay in constructing a new building, given the lack of commercial space for lease in the region. As an alternative to the three-site scenario proposed by the minister's office, the Department suggested adding only 50 to 75 positions in Thetford Mines, and establishing consolidated centres in Jonquière, Laval and Shawinigan, as the Department had originally proposed.

Mr. Paradis told me that he had no knowledge of this process.

#### ***Exchanges between the Offices of Mr. Paradis and Ms. Finley***

I found that there had been some communication between the chiefs of staff of Mr. Paradis and Ms. Finley as her office and the Department were finalizing the list of consolidated centres.

Mr. Phil Harwood, Ms. Finley's interim chief of staff at the time, said he was contacted by Mr. Marc Vallières, Mr. Paradis' chief of staff, in 2010 regarding rumours that the Thetford Mines centre was closing. Mr. Harwood said that these rumours were completely false and that no decisions had been taken at that time. Mr. Harwood said that he told Mr. Vallières that he would keep Mr. Vallières informed of any future developments. Mr. Harwood also said that he had contacted Mr. Vallières on this matter occasionally over the following year because he knew that Mr. Paradis, both as the Member of Parliament for the region of Thetford Mines and as the Regional Minister for the province of Quebec, would be interested in the file.

Mr. Harwood said he had face-to-face discussions in 2011 with a number of regional ministers' chiefs of staff regarding the regional impact of the strategic review process. He said he met with Mr. Vallières in this context during the week of June 27, 2011. Mr. Harwood told my Office that at that time he asked Mr. Vallières for information on Thetford Mines' capacity to accommodate a consolidated centre, especially with regard to existing infrastructure, the availability of broadband Internet access and the available workforce.

Mr. Vallières told my Office he did not view his discussions with Mr. Harwood as part of a formal consultation and he understood the discussions to have related to Mr. Paradis' role as a

Member of Parliament. He said he acted on his own initiative, and not on the instructions of Mr. Paradis, to provide Mr. Harwood with a better understanding of Thetford Mines.

Mr. Vallières sent an email to Mr. Harwood on July 5, 2011. Referring to their conversation of the previous week, he wrote that Mr. Paradis disagreed with the Department's evaluation of Thetford Mines' infrastructure and believed that Thetford Mines had the capacity to host a consolidated centre. He added that interesting office space had become available in recent years. Mr. Vallières told my Office that he was referring to new office buildings in that instance.

Mr. Harwood replied that he had good news for Mr. Paradis and proposed a phone call. Neither Mr. Harwood nor Mr. Vallières recalled specific details of the subsequent phone conversation, but Mr. Harwood told my Office that the good news was that, in the intervening week, the Department had come to the conclusion that Thetford Mines did in fact have the necessary infrastructure to accommodate a consolidated employment insurance processing centre.

Mr. Vallières said he was never asked by Mr. Paradis to contact Mr. Harwood about the available infrastructure in Thetford Mines, although he said that he may have discussed the subject with him. He said he was never given details about Service Canada's assessment of Thetford Mines by Mr. Harwood but was only questioned about the availability of office space.

Mr. Paradis told me that he had discussed with Mr. Vallières rumours that the Thetford Mines Service Canada centre was closing. Mr. Paradis added that Mr. Vallières knows very well that Mr. Paradis does not agree with arguments that have been made on numerous occasions in the past that Thetford Mines does not have adequate infrastructure or a skilled workforce. Mr. Paradis said that, until this investigation, he was not aware of these discussions between Mr. Vallières and Mr. Harwood. He said that he never gave Mr. Vallières any instructions regarding the consolidation of the employment insurance processing function within Service Canada centres. Mr. Paradis said that he had no concerns with the fact that Mr. Vallières had communicated Mr. Paradis' position to Mr. Harwood.

### ***Finalization of the List***

Departmental officials took part in a meeting on July 6, 2011 with members of Ms. Finley's staff to discuss the final list of communities where the processing of employment insurance claims would be consolidated. There were to be six sites for Quebec: the five original sites presented by the Department on June 16, 2011—Boucherville, Jonquière, Laval, Québec City, Shawinigan—and Thetford Mines. It was proposed that 58 jobs be added to Thetford Mines for a total of 75.



Ms. Finley informed Mr. Paradis in a letter of August 17, 2011, sent to his constituency office, that the Service Canada centre in Thetford Mines would be one of the 22 centres in Canada into which the employment insurance claims processing function would be consolidated. Ms. Finley told me that she sent similar letters to other Conservative Members of Parliament who had Service Canada centres in their ridings that would be affected either way by the consolidation.

Mr. Paradis told my Office that he was not aware that Thetford Mines had been included in the list of communities for consolidated centres until more than a week after the letter was sent. He said he was travelling around the time the letter would have been sent and that the matter was not brought to his attention. He said he only found out after news articles appeared on August 25, 2011 in which Mr. Caron, the Member of Parliament who made the request for the examination, was quoted as saying that the decision had been taken without consultation or an official announcement by the Conservative government.

## MR. PARADIS' POSITION

Mr. Paradis believes that he did not contravene sections 8 or 9 of the *Conflict of Interest Code for Members of the House of Commons* (Code) or subsection 6(1) or section 9 of the *Conflict of Interest Act* (Act) in making his representations to Ms. Finley with respect to Thetford Mines and the consolidation process for Service Canada centres.

Mr. Paradis said that he made his representations in his capacity as a Member of Parliament for the region and approached Ms. Finley in the House of Commons, but not as part of the formal proceedings. He added that government and opposition Members of Parliament regularly speak with each other informally in and around the House of Commons.

Mr. Paradis stated that the purpose of his representations to Ms. Finley was to make her aware of the fact that the region of Thetford Mines was already operating a Service Canada centre and that he wanted to ensure that the region of Thetford Mines received due consideration, on an equal basis with other Quebec regions, in the process of centralization for Service Canada centres.

Mr. Paradis added that in making representations aimed at having Thetford Mines selected for a consolidated processing Service Canada centre, at no time did he mention the building in which the current Service Canada centre was located, which was owned by a company of which one of the three shareholders is his father's law partner. The ownership of this building was never a consideration for him. According to Mr. Paradis, at the time he made his representations to Ms. Finley, he had no way of knowing what the scope of the reorganization would be or the impact it would have on the existing premises in which the Service Canada centre in Thetford Mines was located.

In addition, he said that the decision concerning the premises would be taken by another department, Public Works and Government Services, in accordance with a transparent and competitive process: the selection of the cities for consolidated centres was made by the Department of Human Resources and Skills Development and a completely separate and distinct decision about the premises in those cities would be made by Public Works and Government Services. Mr. Paradis said that at no time did he contact anyone at Public Works and Government Services or in any other department with respect to new employees being assigned to the existing Service Canada centre in Thetford Mines.

Mr. Paradis said that he did not exercise any official power, duty or function as a minister, as he acted only as a Member of Parliament in making representations relating to his riding concerning a decision taken by another minister or department. He said that the selection of



Thetford Mines was not a decision taken by Cabinet, but rather by the Department of Human Resources and Skills Development, and that he did not make or participate in making that decision.

Mr. Paradis said that he did not use his position as a minister to seek to influence a decision. He added that the purpose of his representations was to make Ms. Finley aware of the advantages of Thetford Mines, not to further or improperly further the private interests of any particular person.

Mr. Paradis also cited subsection 64(1) of the Act, which states that nothing in the Act prohibits a member of the House of Commons who is a public office holder from engaging in those activities he would normally carry out as a Member of the House of Commons. He stated that, in making his representations to Ms. Finley, he was engaging in exactly this kind of activity.



## ANALYSIS AND CONCLUSIONS

### Assessment of the Facts

In this inquiry and examination, I must determine whether Mr. Paradis contravened section 8 or 9 of the *Conflict of Interest Code for Members of the House of Commons* (Code) or subsection 6(1) or section 9 of the *Conflict of Interest Act* (Act) in connection with representations he made in the late winter or early spring of 2011 to the Honourable Diane Finley, then Minister of Human Resources and Skills Development Canada. Mr. Paradis is the Member of Parliament for Mégantic–L'Érable. At the time he made the representations he was Minister of Natural Resources and Regional Minister for the province of Quebec.

In my analysis I take into consideration provisions that relate to the ability of Members and ministers to represent their constituents in situations where doing so might also impact on their obligations under the Code and the Act.

As set out in my Findings of Fact, in order to make these determinations it was necessary to understand the nature of the relationship between Mr. Paradis and Mr. Ghislain Dionne, determine whether Mr. Dionne and 9183-0497 Québec Inc. (the company) had relevant private interests and whether Mr. Paradis was aware of those private interests when he made his representations to Ms. Finley. I also had to understand the nature of the representations made by Mr. Paradis to Ms. Finley and the circumstances in which they were made, as well as whether Mr. Paradis had been involved in this matter in any other way.

Mr. Dionne is a family friend through Mr. Paradis' father. Prior to his election, Mr. Paradis worked for about ten years as a lawyer with his father and Mr. Dionne and was slated to become a partner in their law firm before his election to the House of Commons in 2006. In addition, Mr. Paradis himself has seen Mr. Dionne socially from time to time, up to the present.

For the purposes of the Act, I consider Mr. Dionne and Mr. Paradis to be friends. As noted in *The Watson Report*, I understand the Act's use of that term to refer to relationships where there is a close bond, a feeling of affection or a special kinship. I believe that describes the relationship between Mr. Paradis and Mr. Dionne.

Clearly, the company and Mr. Dionne had a private interest with respect to the Service Canada centre in Thetford Mines. The private interest of the company, as owner of the building at 350 Frontenac Boulevard West housing the Service Canada centre in Thetford Mines, is in the form of rental income from its lease with the federal government. Mr. Dionne had a private



interest as a one-third shareholder of the company. Therefore, any decision that would affect the future of the Service Canada centre in Thetford Mines could have the potential to further the private interests of the company and, consequently, Mr. Dionne.

Mr. Paradis acknowledged in his interview with me that he was aware that Mr. Dionne was a shareholder of the company at the time Mr. Paradis made his representations to Ms. Finley and that he had been aware of this since 2008, well before he made his representations.

With respect to Mr. Paradis' representations to Ms. Finley, the evidence demonstrates that they were made in response to concerns raised by his constituents over the possible impacts of her department's employment insurance centre consolidation process on the Service Canada centre in Thetford Mines and, more particularly, over the possibility that job losses could result in his riding if the processing function carried out by Service Canada was consolidated at a different location.

In his written response to me and in his interview, Mr. Paradis told me that he approached Ms. Finley in the House of Commons and spoke to her informally. He said that he wanted to ensure that she was aware that Thetford Mines was already operating a Service Canada centre and that Thetford Mines had the resources necessary to be considered on an equal basis with other Quebec regions during the consolidation process. He told me that such conversations often occur in the House of Commons and that he has been regularly approached by Members from all parties in relation to his various ministerial positions.

Mr. Paradis said that during his discussion with Ms. Finley, he never mentioned the building at 350 Frontenac Boulevard West in Thetford Mines that currently houses that city's Service Canada centre. Ms. Finley confirmed this. I accept Mr. Paradis' account of his discussion with Ms. Finley in this regard.

Mr. Paradis told me that this was the full extent of his involvement with this matter and I found no evidence to the contrary. He told me that he never gave his chief of staff, Mr. Vallières, any instructions regarding the consolidation of the employment insurance processing function within Service Canada centres and that he was never informed of any discussions between Mr. Vallières and Mr. Harwood, Ms. Finley's chief of staff. For his part, Mr. Vallières confirmed that he acted on his own initiative, and not on Mr. Paradis' instructions in relation to these discussions.



## Analysis under the Code

Sections 8 and 9 both prohibit Members from acting in any way to further their own private interests or those of members of their family, or to improperly further the private interests of any other person or entity.

The Code does not define the types of circumstances in which a Member would be considered to improperly further the private interests of another person. This determination must, therefore, be made on a case-by-case basis. An impropriety may arise as a result of any one of a number of factors, including the nature or closeness of the Member's relationship with a particular person.

### *Section 8 of the Code*

For the purposes of my analysis of section 8 of the Code, I must determine whether, in making his representations to Ms. Finley, Mr. Paradis was performing parliamentary duties and functions and, if so, whether he acted in a way to improperly further the private interests of Mr. Dionne.

Section 8 of the Code reads as follows:

*8. When performing parliamentary duties and functions, a Member shall not act in any way to further his or her private interests or those of a member of the Member's family, or to improperly further another person's or entity's private interests.*

I have also taken into consideration section 5 of the Code. That section reads as follows:

*5. A Member does not breach this Code if the Member's activity is one in which Members normally and properly engage on behalf of constituents.*

In interpreting sections 5 and 8, I am also mindful of paragraph 2(a) of the Code, under the heading Principles. The relevant portion of section 2 reads as follows:

*2. Given that service in Parliament is a public trust, the House of Commons recognizes and declares that Members are expected*

*(a) to serve the public interest and represent constituents to the best of their abilities;*

[...]



The evidence demonstrates that Mr. Paradis' representations to Ms. Finley were made in response to concerns raised by several constituents over the possible impact of the consolidation process. I accept that Mr. Paradis made his representations to Ms. Finley on behalf of his constituency and was, therefore, performing a parliamentary function as a Member in doing so.

In determining whether Mr. Paradis, in making his representations to Ms. Finley, improperly furthered the private interests of Mr. Dionne, in contravention of section 8, I have taken into account the relationship between Mr. Paradis and Mr. Dionne and the possible impact of Mr. Paradis' representations on the private interests of the company and, therefore, Mr. Dionne. I have also taken into account section 5 of the Code and the principles set out in paragraph 2(a) of the Code.

I have found that there is a close personal and professional relationship between Mr. Paradis and Mr. Dionne and that Mr. Dionne had a private interest in the Service Canada centre in Thetford Mines.

Although Mr. Paradis knew, at the time he made his representations, that Mr. Dionne was president and a one-third shareholder of the company, Mr. Paradis made it clear that in making his representations to Ms. Finley, he never mentioned the building in which the Service Canada centre in Thetford Mines was located. This was confirmed by Ms. Finley.

At the time that Mr. Paradis made his representations, the company had a ten-year lease in place with the Department of Public Works and Government Services (Public Works) which would not expire until 2018. The lease was therefore not under negotiation; nor was it the subject of any decision that Ms. Finley or her department had to make. In any event, Mr. Paradis was not aware of the terms and conditions of the company's lease agreement with the government.

While Ms. Finley and her department were responsible for selecting the communities where the employment insurance claims processing function would be consolidated, they were not responsible for selecting the actual buildings in which those centres would be located. That was the responsibility of Public Works and those decisions would be taken after the list of communities where the consolidated centres were to be located was finalized. Mr. Dionne testified that he was not even aware, until September 2011, of the consolidation process or that there might be an impact on the lease.

While any decision could have an impact on the future of the Service Canada centre in Thetford Mines and, therefore, could have the potential to further the private interests of the company and Mr. Dionne, it was unclear, at the time that Mr. Paradis made his representations, whether and to what extent the decision in fact would do so.

While my decision in this matter does not turn on this fact, it is worth noting in this regard that, even if Thetford Mines had not been chosen to host a consolidated employment insurance processing centre, it appears that Thetford Mines would have continued to have a Service Canada centre. In the announcement of August 19, 2011 of the Department of Human Resources and Skills Development, it was stated that no existing Service Canada centres would be closed as a result of the consolidation.

I have cited section 5 above. It provides that a Member does not contravene the Code by engaging in an activity that is one in which the Member normally and properly engages in on behalf of constituents.

I would like to be clear that section 5 cannot automatically override the Code's rules of conduct, including section 8. At the same time, it must be given some effect.

I have also cited paragraph 2(a) above. Paragraph 2(a) sets out as principles that Members are expected to serve the public interest and to represent their constituents. In my view and considering paragraph 2(a), one situation where an intervention could be seen to be proper might be one involving a matter of significant public interest or of particular importance to the Member's constituents.

As noted above, the evidence demonstrates that Mr. Paradis' representations to Ms. Finley were made in response to concerns raised by several constituents over the possible impact of the consolidation process. These constituents included a union representative from the Thetford Mines Service Canada centre and both the current and former mayors of Thetford Mines, but did not include Mr. Dionne or any other representatives of the company.

In his interview, Mr. Paradis told me that his objective in approaching Ms. Finley was to make sure that she was aware that Thetford Mines had the capacity to host a consolidated processing centre. He did so in order to fulfill his duty as a Member in representing the concerns of his constituents and in order to be able to tell them that he had done so.

The evidence indicates that Mr. Paradis made his representations to Ms. Finley in an effort to underscore the strengths of Thetford Mines and thereby to prevent job losses in his riding. He stated that the purpose of his representations to Ms. Finley was to make her aware of the fact that the region of Thetford Mines was already operating a Service Canada centre and to ensure that the region of Thetford Mines was considered on an equal basis with other areas in Quebec during the consolidation process.



In my view, the concerns of Mr. Paradis' constituents represented a legitimate constituency issue of significant importance to the people of Thetford Mines. It was reasonable for Mr. Paradis, as the local Member of Parliament, to attempt to address it.

I have determined that because the matter was of significant public interest and importance in Mr. Paradis' constituency, and notwithstanding the fact that there was a possibility that his representations could result in furthering the private interests of Mr. Dionne, his representations, in the circumstances of this case, were not improper, and Mr. Paradis was not prohibited from intervening in this matter.

Therefore, Mr. Paradis did not contravene section 8 of the Code. In my view, to find otherwise would, in the particular circumstances of this case, not reflect an appropriate balance between the rule of conduct in section 8 of the Code and section 5, which allows Members to engage in activities that they normally and properly engage in on behalf of constituents, along with the principles set out in paragraph 2(a), which recognize the obligation of Members to serve the public interest and to represent their constituents.

### ***Section 9 of the Code***

For the purposes of my analysis of section 9 of the Code, I must determine whether, in making his representations to Ms. Finley, Mr. Paradis used his position as a Member to influence her decision so as to improperly further the private interests of Mr. Dionne.

Section 9 of the Code reads as follows:

*9. A Member shall not use his or her position as a Member to influence a decision of another person so as to further the Member's private interests or those of a member of his or her family, or to improperly further another person's or entity's private interests.*

By making representations to Ms. Finley with the objective of ensuring that she was aware of the strengths of Thetford Mines as she considered where to consolidate the processing function carried out by Service Canada, Mr. Paradis used his position as Member of Parliament to influence Ms. Finley's decision. However, for the same reasons as are set out above in relation to my analysis of section 8, taking into account section 5 and the principles set out in paragraph 2(a), I find that, in the particular circumstances of this case, Mr. Paradis did not contravene section 9 of the Code.

## Analysis under the Act

For the purposes of my analysis under both subsection 6(1) and section 9 of the Act, I must determine whether Mr. Paradis was precluded under the Act from making representations to Ms. Finley in favour of selecting the Service Canada centre in his riding as a consolidated employment insurance claims processing centre because of his obligations as a minister or as Regional Minister for the province of Quebec.

### *Subsection 6(1) of the Act*

Subsection 6(1) prohibits public office holders from making a decision, or participating in the making of a decision, related to the exercise of their official powers, duties or functions that would place them in a conflict of interest:

*6. (1) No public office holder shall make a decision or participate in making a decision related to the exercise of an official power, duty or function if the public office holder knows or reasonably should know that, in the making of the decision, he or she would be in a conflict of interest.*

Section 4 defines the circumstances in which a public office holder may be understood to be in a “conflict of interest” within the meaning of the Act. It reads as follows:

*4. For the purposes of this Act, a public office holder is in a conflict of interest when he or she exercises an official power, duty or function that provides an opportunity to further his or her private interests or those of his or her relatives or friends or to improperly further another person’s private interests.*

Aside from making his representations to Ms. Finley, there is no evidence that Mr. Paradis had any involvement in the determination of what communities would be chosen to consolidate the processing function performed by Service Canada.

I accept that Mr. Paradis made his representations to Ms. Finley on behalf of his constituents and have found earlier in this report, in relation to the *Conflict of Interest Code for Members of the House of Commons* (Code), that he was performing a parliamentary function as a Member in doing so. There was no evidence that Mr. Paradis made, or participated in the making of, a decision related to an official power, duty or function of his own position either as a minister or as Regional Minister for the province of Quebec in connection with the consolidation of the processing function performed by Service Canada.



Although Mr. Harwood, Ms. Finley's chief of staff, told my Office that he had consulted Mr. Vallières, Mr. Paradis' chief of staff, Mr. Vallières said that he understood the discussions to have related to Mr. Paradis' role as a Member of Parliament. In any event, I accept that Mr. Paradis was not aware of these discussions.

In making his representations to Ms. Finley, Mr. Paradis raised a constituency matter with another minister in an informal way in the House of Commons. He cannot be understood, in making those representations, to have made or participated in the making of a decision related to the exercise of any of his official ministerial powers, duties or functions. I therefore find that Mr. Paradis did not contravene subsection 6(1) of the Act.

### ***Section 9 of the Act***

For the purposes of my analysis of section 9 of the Act, I must determine whether, in making his representations to Ms. Finley, Mr. Paradis used his position as a minister to influence her decision so as to further the private interests of Mr. Dionne.

Section 9 of the Act reads as follows:

*9. No public office holder shall use his or her position as a public office holder to seek to influence a decision of another person so as to further the public office holder's private interests or those of the public office holder's relatives or friends or to improperly further another person's private interests.*

I have also taken into consideration subsection 64(1) of the Act. That subsection reads as follows:

*64. (1) Subject to subsection 6(2) and sections 21 and 30, nothing in this Act prohibits a member of the Senate or the House of Commons who is a public office holder or former public office holder from engaging in those activities that he or she would normally carry out as a member of the Senate or the House of Commons.*

As set out in the Assessment of the Facts, I have determined that Mr. Paradis and Mr. Dionne are friends. I note that, unlike sections 8 and 9 of the Code, section 9 of the Act expressly includes a direct prohibition against furthering the private interests of friends. This is in addition to the prohibition against improperly furthering another person's private interests, which is found in both the Act and Code.

Because I have determined that Mr. Paradis and Mr. Dionne are friends, it is not necessary, in order to determine whether Mr. Paradis contravened section 9 of the Act, to consider whether

Mr. Paradis improperly furthered the private interests of Mr. Dionne. The second finding would flow automatically from the first.

As set out in my analysis under the Code, above, I determined that Mr. Paradis used his position as a Member to influence Ms. Finley's decision about where to consolidate the processing function carried out by Service Canada. With respect to section 9 of the Act, I must consider whether Mr. Paradis was also using his position as Minister of Natural Resources or Regional Minister for the province of Quebec to seek to influence Ms. Finley's decision.

A Member of the House of Commons who is also a minister can never simply ignore his or her role as a minister. When a minister raises a constituency matter with an institution or a representative of the federal government, particularly with a cabinet colleague, he or she will be recognized as a minister and any influence will be due in part to that recognition. In this case, any influence that Mr. Paradis would have had on Ms. Finley's decision would have resulted from both his position as a Member and as a minister.

It remains to consider whether Mr. Paradis acted so as to further the private interests of his friend, Mr. Dionne.

In my analysis under section 8 of the Code, I found there was a possibility that the private interests of Mr. Dionne could have been furthered by Mr. Paradis' representations. In determining whether Mr. Paradis had contravened section 8 of the Code, I took section 5 and paragraph 2(a) of the Code into account. Section 5 allows Members to engage in activities that they normally and properly engage in on behalf of their constituents. Paragraph 2(a) recognizes the obligation of Members to serve the public interest and to represent their constituents. I concluded, in light of these provisions and of the facts, that Mr. Paradis did not, in this case, contravene section 8 of the Code.

Subsection 64(1) of the Act, cited above, in effect incorporates these same principles into the Act by referring to activities that a public office holder who is a minister would "normally carry out as a member of the Senate or the House of Commons." However, the instances in which a Member of the House of Commons who is also a minister can benefit from considerations under subsection 64(1) are more limited than for Members under the Code because of the special influence a minister may have.

In determining whether the more stringent requirements for a minister are met, I have taken into account, in particular, the factors identified in the following paragraphs.



As noted in my analysis under the Code, the evidence gathered demonstrates that Mr. Paradis' representations were made in response to concerns raised by a number of constituents. The concerns were legitimate and it was reasonable for Mr. Paradis to seek to address them. I have accepted that Mr. Paradis, in raising this matter with Ms. Finley, raised an issue of broad interest to his constituents in Thetford Mines.

It was unclear, at the time that Mr. Paradis made his representations, whether and to what extent the decision of Ms. Finley and her Department would have an impact on the future of the Service Canada centre in Thetford Mines and thereby could have an impact on the private interests of Mr. Dionne.

There had been no discussions between Mr. Paradis and Mr. Dionne about the issue of the consolidated Service Canada centre, and no evidence that Mr. Paradis referred to the building in his representations to Ms. Finley.

Mr. Paradis' representations were made informally to Ms. Finley in the House of Commons, where Members often raise similar issues with ministers.

In light of these factors, and notwithstanding the fact that there was a possibility that Mr. Paradis' intervention could result in furthering the private interests of Mr. Dionne, I find that Mr. Paradis, in making representations to Ms. Finley, did not, in the particular circumstances of this case, contravene section 9 of the Act.

## **Conclusions**

With respect to the *Conflict of Interest Code for Members of the House of Commons*, I conclude, for the reasons set out above, that Mr. Paradis, as a Member, did not contravene sections 8 or 9 of the Code.

With respect to the *Conflict of Interest Act*, I have noted that the application of subsection 64(1) of the Act to ministers is limited in scope. However, in the particular circumstances of this case, I conclude, for the reasons set out above, that Mr. Paradis, as a minister, did not contravene subsection 6(1) or section 9 of the Act.

## **SCHEDULE: LIST OF WITNESSES**

Except where noted, the names of all witnesses are listed below according to the organizations to which they belonged at the time of the events that are the subject of this inquiry and examination.

### ***Interviews***

Office of the Minister of Natural Resources and Office of the Minister of Industry

- The Honourable Christian Paradis, Minister
- Mr. Marc Vallières, Chief of Staff
- Ms. Pascale Boulay, Press Secretary

Office of the Minister of Human Resources and Skills Development

- The Honourable Diane Finley, Minister
- Mr. Phil Harwood, Interim Chief of Staff
- Mr. Matthew Senft, Director of Parliamentary Relations

Department of Human Resources and Skills Development

- Ms. Carolina Giliberti, Senior Assistant Deputy Minister, Service Management, Service Canada
- Ms. Mary O'Neill, Director, Service Management, Service Canada
- Mr. Denis Boulianne, Executive Head - Quebec region, Service Management, Service Canada
- Mr. Garth Byrne, Senior Analyst, Service Management, Service Canada

Others

- Mr. Ghislain Dionne, partner in the law firm Paradis Dionne
- Mr. Guy Caron, Member of Parliament for Rimouski–Neigette–Témiscouata–Les Basques

