



PRESENTATIONS & SPEECHES *CHECK AGAINST DELIVERY*

Opening remarks before the House of Commons Standing Committee on Public Accounts

Honourable Konrad W. von Finckenstein, C.M., K.C. –
Conflict of Interest and Ethics Commissioner
Ottawa, Ontario, October 21, 2024

Thank you for inviting me to appear before you today. With me is Michael Aquilino, Legal Counsel at the Office.

The subject of today's meeting is the Auditor General's Report 6, which looks at Sustainable Development Technology Canada. It is about a performance audit conducted under the *Auditor General Act*.

I administer the *Conflict of Interest Act*, and the *Conflict of Interest Code for Members of the House of Commons*. The Commissioner's Office helps Members and public office holders—people appointed to their positions by the Governor in Council—prevent and manage conflicts of interest. When necessary, we investigate.

Mr. Michael Barrett, Member of Parliament for Leeds–Grenville–Thousand Islands and Rideau Lakes, asked me to investigate two members of SDTC's Board of Directors. One was Annette Verschuren, former Chairperson of SDTC. The other was Guy Ouimet, a former director of SDTC.

The SDTC Board had 15 members. Of those, Ms. Verschuren and Mr. Ouimet were among 7 directors who were appointed by the Governor in Council.

They were subject to the Act as public office holders. Unlike **reporting** public office holders, this category of people subject to the Act do not have to give the Commissioner's Office any personal and financial information on appointment. Neither do they have to make any public declarations. We do not assign them advisors, but they can always contact us if they need advice.

The other 8 Board members were appointed by SDTC's member council, so they were **not** covered by the Act.

I reported on the Verschuren and Ouimet investigations in July 2024.

I found that Ms. Verschuren failed to comply with the Act's provisions on decision-making and recusal.

Those lapses were based on a misunderstanding of the difference between abstaining and recusing, and on incorrect legal advice.

It was clear there was an information gap about recusals that the Office has since addressed by issuing an information notice that can be found on our website.

Recusal is more than simply staying silent during a discussion, or refraining from voting. Public office holders must leave the room, virtually or physically, so their mere presence does not influence other participants.

Unlike the Auditor General, the Commissioner's Office does not look at any conduct other than conflicts of interest. In the case of SDTC, our scope is limited to the rules of the *Conflict of Interest Act* insofar as they apply to individuals appointed to their positions by the Governor in Council.

I therefore have no comment to make:

A) on the alleged conflict of interest of individuals **not** appointed by the Governor in Council, or

B) on any other issues of alleged malfeasance mentioned by the Auditor General.

I am happy to answer questions.